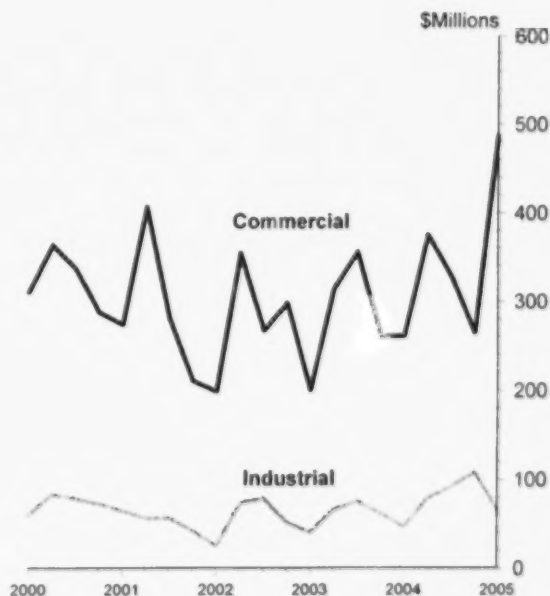


Small Business Quarterly ♦ 1st Quarter 2005

- The number of small businesses in BC (excluding self-employed persons without paid help) fell slightly (-0.5%) in the first quarter of 2005 compared to the same period a year earlier. The number of small businesses with employees has remained fairly stable over the last few years and growth in small business in the province continues to be driven mainly by the swelling ranks of self-employed.
- There has been a year-over-year increase in self-employed workers in BC in each quarter since the first quarter of 2001. In the first quarter of 2005, the number of self-employed in BC jumped 9.4%. Most of the growth was for those with paid help, which climbed 23.1%, while those without paid help increased 2.9%.
- Small business employment edged up 0.6% in the first quarter of 2005, lagging behind the 2.2% rate of change in overall employment. Businesses with 1 to 19 employees increased employment by 1.7%, but those with between 20 to 49 employees cut back employment 1.9%.
- The number of new business incorporations in BC continued to climb in the first quarter, rising 10.3%. There has been an increase in new incorporations in each quarter over the last three years (i.e., starting in the second quarter of 2002).
- Business bankruptcies dropped sharply in the first quarter (-18.0%), more than wiping out the 8.1% year-over-year gain in the fourth quarter of 2004. Consumer bankruptcies continued their downward trend, slipping 4.1% in the first quarter.
- The growth in housing starts in the province slowed to 2.6% in the first quarter, the lowest rate of increase in four years. It is likely that residential construction in the province is nearing its upper limit as a result of labour shortages and an already extremely high demand.
- BC's boom in construction activity should continue as the value of both commercial (+86.6%) and industrial (+37.4%) building permits soared in the first quarter compared to the same period in 2004. Much of the growth is taking place in Vancouver where commercial building permits jumped 82.0% and industrial permits almost tripled (+195.3%). However, Victoria was no slouch either, as commercial permits grew 38.9% and industrial permits rose 66.0%.

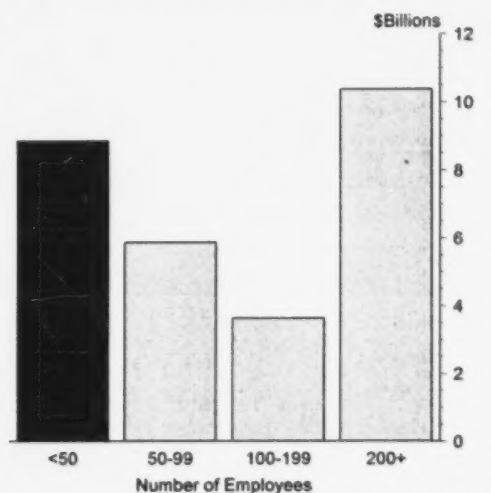
The value of building permits issued in BC soared in the first quarter



Small Businesses that Export

Although small businesses in BC are less likely to export than larger businesses, those that do are a significant presence on the export scene. Small businesses that export comprise only 1.4% of all small businesses in BC, yet they shipped about 31% of the total value of merchandise exports from the province in 2003.¹

Small businesses shipped approximately 31% of the total value of exports from BC* in 2003



*Includes data for the Territories

Source: Statistics Canada, *Exporter Registry*

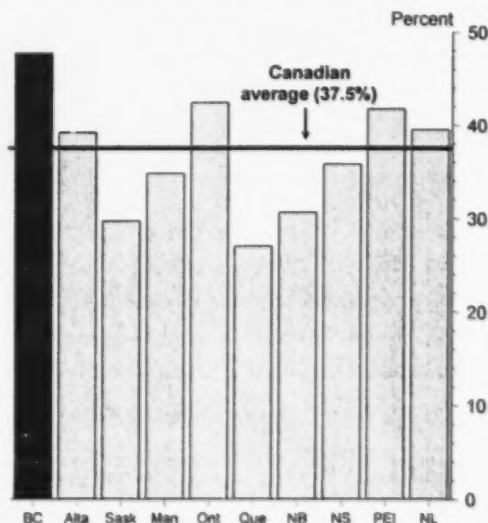
A couple of reasons why there are few small businesses that export are the high start-up costs and the fact that, in order to compete internationally, businesses need to achieve economies of scale that may not be attainable for most businesses with fewer than 50 employees. A survey of their members by the Canadian Federation of Independent Business (CFIB) confirms that market rea-

¹ Export data are from Statistics Canada's *Exporter Registry* and are confined to international exports of goods of greater than \$30,000. Data for the three northern territories are included with BC to meet confidentiality requirements. It is likely that this inclusion inflates the BC figures for small businesses by around 0.5%.

sons and high costs, including infrastructure, insurance and packaging, are among the barriers to having small and medium-sized firms participate in international trade, on both the export and import side.² Another major obstacle is global financial risk, particularly related to the fluctuation of the exchange rate.

One area where small businesses may be able to compete with larger firms on a global scale is in niche markets. Small businesses are often better suited to produce specialized items for these smaller markets, but the problem is getting the word out to customers around the world. This is where the continuing development of e-commerce may help small businesses find an export market. According to the CFIB survey, 47.7% of small and medium-sized businesses in BC have their own web site. This is well above the Canadian average of 37.5% and is the highest ratio in the country.

Small and medium-sized businesses in BC are more likely to have a web site than those in other provinces

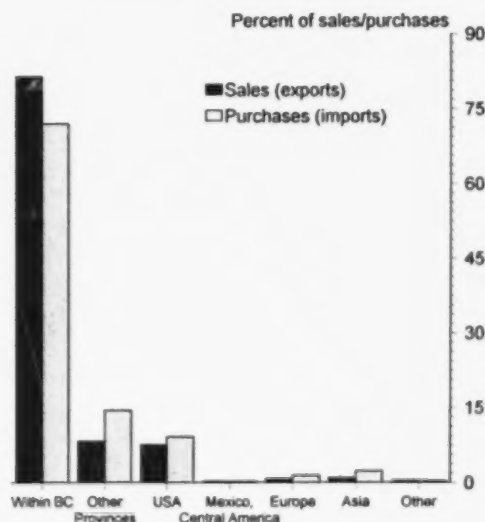


Source: Canadian Federation of Independent Business

² Canadian Federation of Independent Business, "Report on Trade" (Oct. 2004).

However, data from the CFIB survey corroborate the Statistics Canada figures with regard to the fact that, currently, only a small percentage of small and medium-sized firms engage in international trade. Over four-fifths (81%) of the firms surveyed in BC sold exclusively within the province, while a slightly smaller portion (72%) made all business purchases within BC. Another 8% sold to other provinces, and 14% made interprovincial purchases, with the remainder of sales and purchases attributed to international exports and imports.

Small and medium-sized firms in BC do most of their business within the province



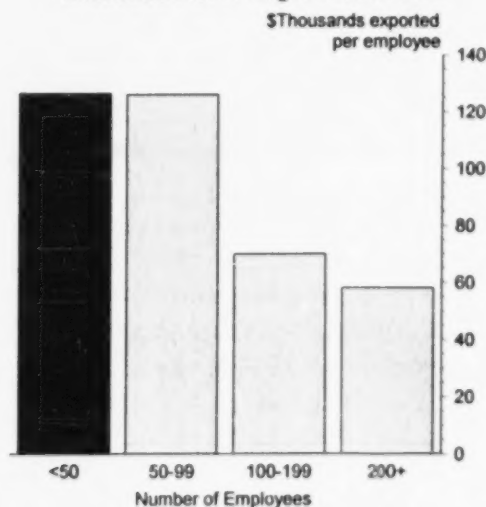
Source: Canadian Federation of Independent Business

On the other hand, the data from Statistics Canada indicate that 80% of all exporters in BC are small businesses. The fact that four-fifths of exporters have fewer than 50 employees, but export only 31% of the value of total BC exports indicates that small businesses that export tend to ship less to international destinations compared to larger businesses. Looking at the average value of exports per exporter by employee size confirms this as the average

value of exports rises with the size of firm. Small businesses averaged exports of \$1.7 million in 2003, compared to \$40.5 million for businesses with 200 or more employees.

Nevertheless, it is interesting to note that 22% of small businesses that exported were large exporters (i.e., they shipped \$1 million or more worth of goods), while 58% of exporting businesses with 200 or more employees were small exporters (shipping less than \$1 million). Also, the average value of exports per employee of a small business far exceeds that of a large business. For businesses with fewer than 50 employees, the average value of exports per worker was \$126,400 in 2003, compared to \$58,000 for firms with 200 or more employees (those with 50 to 99 employees averaged \$125,900 and those with 100 to 199 workers averaged \$69,900).

In 2003, the average value of exports per employee of smaller businesses in BC* exceeded that of larger businesses



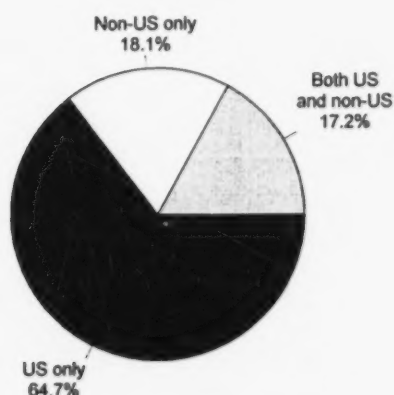
*Includes data for the Territories

Source: Statistics Canada, Exporter Registry

The main foreign destination for exported goods is the United States. This is true regardless of the size of the ex-

porter. In 2003, 82% of exporting firms with fewer than 50 employees shipped at least some of their goods to the United States. For almost two-thirds (65%) of small business exporters, the United States was the only country to which they shipped goods. Only 18% of small businesses that exported did not ship any goods at all to the United States.

BC* small businesses that exported in 2003 shipped mainly to the United States



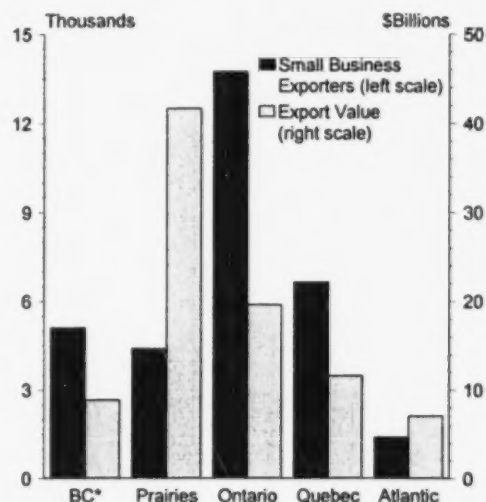
*Includes data for the Territories

Source: Statistics Canada, Exporter Registry

There is significant variation by region within Canada in terms of the export intensity of small businesses. In other words, in some regions, small businesses export far more by value, on average, compared to other regions. For example, while central Canada had comparable export intensity with BC - Quebec small businesses averaged \$1.7 million and Ontario firms averaged \$1.4 million compared to BC's \$1.7 million - the numbers were considerably higher in the Prairies and the Atlantic provinces. Small businesses in the Atlantic region averaged exports of \$5.0 million, while firms in the Prairies averaged \$9.5 million. The regional differences in terms of the number of small businesses exporters and export intensity are likely

driven by the provincial variation in industry composition.

Export intensity for small businesses varies widely by region



*Includes data for the Territories

Source: Statistics Canada, Exporter Registry

A study by Industry Canada suggests that the relatively large export intensity of small businesses in the Prairies could be due to the oil and gas sector in Alberta. It is possible that Alberta oil and gas producers hire small firms in the finance and insurance sector to deal with exporting their product.³

Regardless of regional differences, the changing nature of the global marketplace is making exports increasingly important and evolving information technology, particularly related to electronic commerce, should help level the playing field for small businesses that wish to expand their markets and export their wares.

³ Parsley, Chris, "More Important Than Was Thought: A Profile of Canadian Small Business Exporters," Small Business Policy Branch, Industry Canada (Dec. 2004).

Recent Feature Articles Listed by Issue Number

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(released Jun 2005)

04-4: 'Small Business Outlook'
(released Mar 2004)

04-3: 'Lumber Dispute Big Issue for Small Business'
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04-2: 'Small Business and Older Workers'
(released Oct 2004)

04-1: 'Small Business Suffers Gas Pains'
(released Jun 2004)

03-4: 'Small Business is Embracing the Internet'
(released Mar 2004)

03-3: 'Cost of Insurance is the Top Concern for Small Business in BC'
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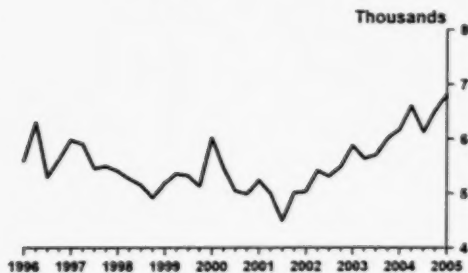
98-3: 'The Long and the Short of Working Hours For Self-Employed'
(released Dec 1998)

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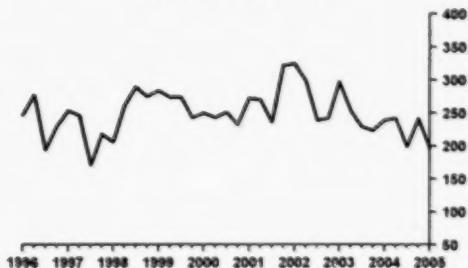
98-1: 'British Columbians Still Making Their Own Jobs' (released May 1998)

Business Counts, Formations and Failures

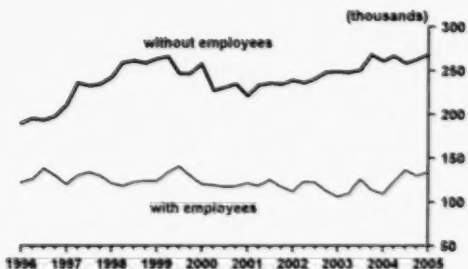
New Business Incorporations in British Columbia



Number of Business Bankruptcies in British Columbia



Self-Employed Persons

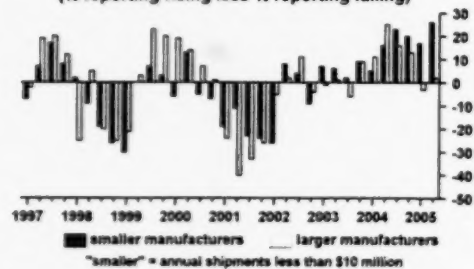


Small Businesses With Employees

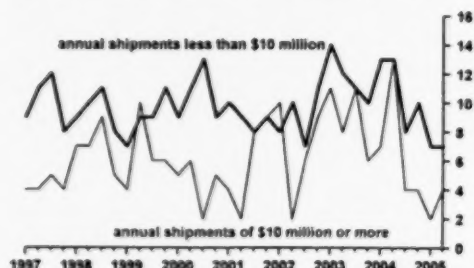


Business Conditions

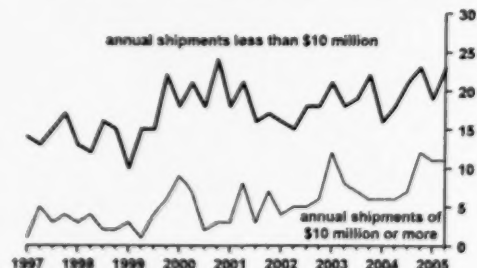
Balance of Opinion on New Orders Received at Start of Quarter
(% reporting rising less % reporting falling)



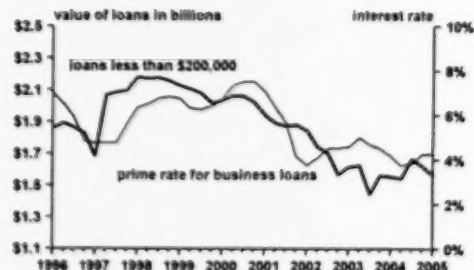
Per Cent of Manufacturers Experiencing Shortage of Working Capital



Per Cent of Manufacturers Experiencing Shortage of Skilled Labour



Chartered Bank Business Loans in British Columbia



Period	Active Employer Businesses ¹ by number of employees						Employment ² by number of employees in business				Self-employed ³ with without		
	Total	1-4	5-9	10-19	20-49	1-49	Total ⁴	1-19	20-49	50+	Total ⁵	paid help	paid help
				(000)					(000)		(000)		
Annual Averages													
1995	143.7	84.7	26.0	17.6	10.7	138.9					306.5	128.4	172.6
1996	148.2	87.9	26.5	18.1	10.8	143.2					327.1	128.7	193.7
1997	150.9	87.2	27.5	19.2	11.7	145.5					361.4	128.3	226.7
1998	153.7	91.6	26.9	18.2	11.5	148.2					382.6	121.2	255.1
1999	154.6	92.0	26.8	18.2	11.9	148.9					392.1	131.5	255.5
2000	156.6	90.5	27.5	19.3	13.0	150.3	1,565.3	411.5	181.9	971.9	361.4	118.3	237.3
2001	156.9	91.5	27.2	18.5	12.4	149.7	1,585.7	412.3	186.3	987.1	354.7	120.1	230.7
2002	156.8	91.8	27.2	18.3	12.4	149.6	1,601.4	412.3	193.9	995.1	360.3	117.0	240.6
2003	157.6	91.4	27.8	18.7	12.5	150.4	1,626.2	417.1	200.2	1,008.8	370.5	113.4	253.4
2004	158.4	92.1	27.7	18.9	12.5	151.2	1,654.6	429.8	201.8	1,023.0	388.1	124.2	261.9
% change 2003-2004	0.5%	0.7%	-0.4%	1.0%	0.1%	0.5%	1.7%	3.0%	0.8%	1.4%	4.7%	9.5%	3.3%
Quarterly													
	<u>End of Quarter</u>						<u>Quarterly</u>				<u>Quarterly Averages</u>		
2002 Q1	156.2	91.9	27.0	18.2	12.1	149.1	1,562.7	401.5	181.8	979.4	353.2	111.5	238.6
Q2	156.5	91.7	27.0	18.2	12.3	149.3	1,606.2	412.8	197.4	996.0	359.2	122.3	235.7
Q3	157.0	91.7	27.3	18.3	12.5	149.7	1,615.5	420.0	200.5	995.0	365.5	121.8	240.3
Q4	157.6	91.8	27.3	18.5	12.6	150.3	1,621.1	415.1	195.9	1,010.1	363.1	112.3	247.8
2003 Q1	157.2	90.9	27.8	18.6	12.6	149.8	1,602.1	405.7	191.2	1,005.3	357.4	105.5	248.4
Q2	157.4	91.0	27.9	18.7	12.6	150.2	1,644.3	418.8	203.1	1,022.5	360.9	109.3	247.5
Q3	157.5	91.1	27.9	18.8	12.5	150.3	1,627.1	425.0	205.3	996.8	378.1	125.4	250.2
Q4	158.4	92.8	27.7	18.6	12.3	151.3	1,631.3	419.1	201.4	1,010.8	385.6	113.6	267.6
2004 Q1	158.7	93.0	27.5	18.7	12.3	151.6	1,613.0	415.3	196.9	1,000.7	371.7	108.7	260.3
Q2	158.5	92.5	27.7	18.8	12.3	151.3	1,669.4	434.8	203.7	1,030.9	390.5	122.3	266.5
Q3	158.0	92.4	27.5	18.6	12.3	150.8	1,663.2	437.7	207.4	1,018.1	395.7	136.1	258.2
Q4	158.4	90.6	28.1	19.4	13.0	151.0	1,672.7	431.3	199.0	1,042.4	394.4	129.5	262.5
2005 Q1	158.3	90.0	28.1	19.4	13.2	150.7	1,649.0	422.5	193.2	1,033.2	406.7	133.8	268.0
% change year-over-year last available quarter	-0.3%	-3.1%	2.0%	3.7%	7.0%	-0.5%	2.2%	1.7%	-1.9%	3.2%	9.4%	23.1%	2.9%
Monthly													
Jun-04											403.3	124.5	276.0
Jul-04											402.0	141.6	259.1
Aug-04											395.6	133.2	261.4
Sep-04											389.5	133.5	254.2
Oct-04											396.7	133.8	261.1
Nov-04											395.3	135.2	258.1
Dec-04											391.2	119.6	268.2
Jan-05											401.8	131.0	266.0
Feb-05											405.7	130.4	269.6
Mar-05											412.7	140.0	268.3
Apr-05											411.3	147.8	259.2
May-05											396.2	130.0	263.8
% change year-over-year last available month											1.2%	5.4%	-1.1%
year-to-date	-	-	-	-	-	-	-	-	-	-	405.5	135.8	265.4

Notes:

¹ Source: Business Register² Source: Survey of Employment, Payroll and Hours³ Source: Labour Force Survey⁴ Industrial aggregate excluding unclassified⁵ Total self-employed includes persons working in family business without pay

Period	Business Formation Indicators			Bankruptcies	
	New BC Business Incorporations	Registrations Extraprovincial Companies (number)	Registrations Unincorporated Businesses	Business (number)	Consumer
Annual Totals					
1995	23,846	1,966	19,279	973	4,747
1996	22,848	2,061	20,367	948	6,436
1997	22,958	2,188	19,863	895	7,366
1998	20,759	2,233	19,507	1,031	7,327
1999	21,009	2,366	20,917	1,075	8,179
2000	21,515	2,528	20,822	976	9,181
2001	19,749	2,479	21,306	1,100	9,474
2002	21,262	2,383	22,487	1,105	9,527
2003	23,243	2,544	25,121	1,002	9,393
2004	25,428	2,456	25,244	921	8,386
% change 2003-2004	9.4%	-3.5%	0.5%	-8.1%	-10.7%
Quarterly Totals					
2001 Q1	5,236	714	5,400	272	2,503
Q2	4,997	663	5,853	270	2,483
Q3	4,504	546	4,959	236	2,232
Q4	5,012	556	5,094	322	2,256
2002 Q1	5,035	604	5,335	325	2,469
Q2	5,417	616	6,220	299	2,472
Q3	5,313	559	5,772	239	2,388
Q4	5,497	604	5,160	242	2,198
2003 Q1	5,878	694	6,878	297	2,467
Q2	5,638	674	6,642	253	2,463
Q3	5,711	547	5,852	229	2,272
Q4	6,016	629	5,749	223	2,191
2004 Q1	6,175	755	6,835	239	2,299
Q2	6,602	547	6,655	242	2,254
Q3	6,128	618	5,796	199	1,909
Q4	6,523	536	5,958	241	1,924
2005 Q1	6,814	544	6,637	196	2,205
% change year-over-year last available quarter	10.3%	-27.9%	-2.9%	-18.0%	-4.1%
Monthly					
Jun-04	2,337	194	2,205	75	832
Jul-04	2,075	243	1,969	68	618
Aug-04	2,031	165	1,886	74	610
Sep-04	2,022	210	1,941	57	681
Oct-04	2,015	182	1,993	79	684
Nov-04	2,109	166	2,094	81	643
Dec-04	2,399	188	1,871	81	597
Jan-05	2,141	174	1,806	52	665
Feb-05	2,223	187	2,266	70	798
Mar-05	2,450	183	2,565	74	742
Apr-05	2,442	85	2,415	64	741
May-05	2,437	217	2,537	-	-
year-to-date	11,693	846	11,589	260	2,946
% change year-over-year last available month	13.0%	-3.6%	17.5%	-31.9%	1.5%

Period	Interest Rates			Exchange Rate	Consumer Price Index		
	Bank Rate	Prime Rate (per cent)	Conventional 5 Year Mortgage	Canadian \$ Average Noon Spot Rate (U.S. \$)	BC	Vancouver*	Victoria*
Annual Averages							
1996	4.53	6.06	7.93	73.34	108.9	109.2	108.7
1997	3.52	4.96	7.07	72.24	109.7	109.8	109.7
1998	5.10	6.60	6.93	67.48	110.0	110.4	110.0
1999	4.92	6.44	7.56	67.32	111.2	111.4	111.1
2000	5.77	7.27	8.35	67.34	113.3	113.9	113.0
2001	4.31	5.81	7.40	64.58	115.2	116.0	114.3
2002	2.71	4.21	7.02	63.69	117.9	118.6	117.4
2003	3.19	4.69	6.39	71.58	120.4	121.0	120.0
2004	2.50	4.00	6.23	76.98	122.8	123.4	122.8
% change 2003-2004	N/A	N/A	N/A	7.5%	2.0%	2.0%	2.3%
difference 2003-2004	-0.69	-0.69	-0.16	N/A	N/A	N/A	N/A
Quarterly Averages							
2002 Q1	2.25	3.75	7.05	62.72	116.0	116.8	115.5
Q2	2.58	4.08	7.37	64.35	118.0	118.8	117.5
Q3	3.00	4.50	6.85	63.97	118.7	119.4	118.3
Q4	3.00	4.50	6.80	63.72	118.8	119.6	118.4
2003 Q1	3.08	4.58	6.63	66.26	119.7	120.4	119.3
Q2	3.50	5.00	6.20	71.58	120.3	120.9	119.8
Q3	3.17	4.67	6.28	72.46	120.9	121.4	120.5
Q4	3.00	4.50	6.45	76.00	120.8	121.4	120.5
2004 Q1	2.67	4.17	5.85	75.90	121.2	121.8	121.0
Q2	2.25	3.75	6.45	73.57	123.1	123.7	123.0
Q3	2.33	3.83	6.38	76.51	123.4	124.0	123.4
Q4	2.75	4.25	6.25	81.94	123.6	124.2	123.7
2005 Q1	2.75	4.25	6.12	81.50	123.8	124.5	123.9
% change year-over-year last available quarter	N/A	N/A	N/A	7.4%	2.1%	2.2%	2.5%
difference year-over-year last available quarter	0.08	0.08	0.27	N/A	N/A	N/A	N/A
Monthly							
Jun-04	2.25	3.75	6.70	73.66	123.6	124.1	123.5
Jul-04	2.25	3.75	6.55	75.65	123.4	123.9	123.3
Aug-04	2.25	3.75	6.30	76.23	123.3	124.0	123.3
Sep-04	2.50	4.00	6.30	77.65	123.5	124.1	123.6
Oct-04	2.75	4.25	6.40	80.20	123.5	124.2	123.6
Nov-04	2.75	4.25	6.30	83.61	123.7	124.2	123.8
Dec-04	2.75	4.25	6.05	82.03	123.5	124.2	123.6
Jan-05	2.75	4.25	6.05	81.61	123.6	124.3	123.6
Feb-05	2.75	4.25	6.05	80.67	123.8	124.4	123.9
Mar-05	2.75	4.25	6.25	82.23	124.1	124.8	124.3
Apr-05	2.75	4.25	6.05	80.90	124.9	125.4	125.1
May-05	2.75	4.25	5.95	79.65	125.2	125.7	125.4
% change year-over-year last available month	N/A	N/A	N/A	9.8%	1.5%	1.4%	1.8%
difference year-over-year last available month	0.50	0.50	-0.55	N/A	N/A	N/A	N/A

* Census Metropolitan Area

Period	Commercial Building Permits			Industrial Building Permits			Urban Housing Starts	
	BC	Vancouver*	Victoria*	BC	Vancouver*	Victoria*	BC	Vancouver
	(\$ thousands)			(\$ thousands)			(number)	
Annual Totals								
1998	1,311,124	810,117	76,173	273,279	160,652	15,858	17,631	11,878
1999	1,142,105	652,159	101,453	319,145	172,604	5,931	14,176	8,677
2000	1,297,270	868,865	76,834	295,525	147,574	14,763	12,353	8,203
2001	1,171,233	718,860	86,782	221,353	105,178	21,843	15,689	10,862
2002	1,116,741	746,220	104,278	230,119	129,291	9,167	20,315	13,197
2003	1,129,623	607,764	134,420	244,024	90,082	20,451	24,720	15,626
2004	1,228,027	812,400	67,800	328,050	140,419	8,120	30,875	19,430
% change 2003-2004	8.7%	33.7%	-49.6%	34.4%	55.9%	-60.3%	24.9%	24.3%
Quarterly Totals								
2000 Q1	310,172	243,234	10,966	60,084	20,194	1,258	2,219	1,527
Q2	363,163	205,899	30,805	83,816	44,182	6,223	3,559	2,468
Q3	336,460	218,441	17,911	78,563	41,930	364	3,310	1,989
Q4	287,475	201,291	17,152	73,062	41,268	6,918	3,265	2,219
2001 Q1	273,963	162,249	23,467	65,245	30,677	9,657	2,946	2,149
Q2	406,173	271,274	26,720	56,965	21,011	2,133	4,619	3,620
Q3	280,778	159,138	15,570	57,121	29,033	7,512	4,176	2,802
Q4	210,319	126,199	21,025	42,022	24,457	2,541	3,948	2,291
2002 Q1	198,407	125,804	18,170	25,849	12,710	2,091	3,659	2,285
Q2	353,724	264,566	28,515	73,400	42,047	3,452	5,279	3,548
Q3	266,902	144,797	41,744	79,205	47,950	2,380	5,934	4,020
Q4	297,708	211,053	15,849	51,665	26,584	1,244	5,443	3,344
2003 Q1	200,086	107,691	27,775	40,679	22,785	1,003	4,206	2,588
Q2	313,669	156,577	29,849	65,985	16,043	1,500	6,097	3,740
Q3	355,162	159,179	54,930	75,441	28,652	12,986	7,678	5,146
Q4	260,706	184,317	21,866	61,919	22,602	4,962	6,739	4,152
2004 Q1	260,672	174,174	14,042	47,164	10,009	3,393	6,079	3,698
Q2	374,553	266,254	17,076	79,549	41,841	1,791	9,008	6,064
Q3	328,277	198,638	13,676	92,804	28,585	1,781	8,533	5,437
Q4	264,525	173,334	23,006	108,533	59,984	1,155	7,255	4,231
2005 Q1	474,243	316,974	19,502	64,914	29,554	5,631	6,240	4,112
% change year-over-year last available quarter	81.9%	82.0%	38.9%	37.6%	195.3%	66.0%	2.6%	11.2%
Monthly								
Jun-04	183,830	128,889	5,993	48,218	25,518	417	2,653	1,729
Jul-04	78,358	47,377	4,221	27,024	14,890	435	2,478	1,467
Aug-04	132,967	81,294	4,491	37,720	6,525	500	3,264	2,288
Sep-04	116,952	69,967	4,964	28,060	7,170	846	2,791	1,682
Oct-04	84,135	54,474	3,128	14,598	4,030	641	2,104	1,151
Nov-04	77,179	42,534	9,596	68,221	43,152	252	2,789	1,703
Dec-04	103,211	76,326	10,282	25,714	12,802	262	2,362	1,377
Jan-05	91,512	70,232	2,440	20,733	4,850	4,734	1,870	1,352
Feb-05	124,843	78,689	5,152	14,641	7,814	184	1,964	1,210
Mar-05	257,888	168,053	11,910	29,540	16,890	713	2,406	1,550
Apr-05	184,546	102,704	21,916	24,696	9,135	694	2,706	1,348
May-05	-	-	-	-	-	-	3,048	1,797
year-to-date	658,789	419,678	41,418	89,610	38,689	6,325	11,994	7,257
% change year-over-year last available month	92.1%	52.8%	253.1%	80.0%	18.9%	31.4%	6.7%	-3.2%

* Census Metropolitan Area

Period	Chartered Bank Business Loans in British Columbia			
	Less than \$200,000	\$200,000 to \$500,000	Greater than \$500,000	Total
	(\$ millions)			
Annual Averages				
1995	1,791	1,451	9,043	12,284
1996	1,861	1,508	9,162	12,530
1997	1,985	1,724	10,081	13,790
1998	2,172	1,825	11,077	15,077
1999	2,084	1,710	10,807	14,601
2000	2,045	1,605	10,575	14,224
2001	1,896	1,516	9,746	13,158
2002	1,710	1,393	9,373	12,475
2003	1,558	1,297	9,491	12,347
2004	1,597	1,346	9,730	12,673
% change 2003-2004	2.5%	3.8%	2.5%	2.6%
Quarterly				
1997 Q1	1,686	1,534	9,853	13,073
Q2	2,068	1,751	9,751	13,570
Q3	2,088	1,770	10,337	14,195
Q4	2,098	1,841	10,384	14,323
1998 Q1	2,180	1,842	11,115	15,137
Q2	2,174	1,842	11,338	15,354
Q3	2,178	1,816	11,104	15,098
Q4	2,157	1,801	10,750	14,708
1999 Q1	2,128	1,792	10,908	14,828
Q2	2,108	1,735	10,975	14,818
Q3	2,080	1,686	10,876	14,642
Q4	2,020	1,627	10,467	14,114
2000 Q1	2,035	1,631	10,636	14,302
Q2	2,063	1,638	10,812	14,513
Q3	2,059	1,586	10,608	14,253
Q4	2,021	1,564	10,244	13,829
2001 Q1	1,942	1,561	10,171	13,674
Q2	1,890	1,539	9,552	12,981
Q3	1,873	1,502	9,599	12,974
Q4	1,879	1,461	9,662	13,002
2002 Q1	1,842	1,484	9,912	13,238
Q2	1,742	1,439	9,897	13,078
Q3	1,702	1,400	9,344	12,446
Q4	1,552	1,247	8,337	11,136
2003 Q1	1,599	1,312	9,159	12,070
Q2	1,626	1,327	9,795	12,748
Q3	1,445	1,292	9,700	12,437
Q4	1,563	1,258	9,311	12,132
2004 Q1	1,555	1,337	9,560	12,452
Q2	1,545	1,350	9,928	12,823
Q3	1,666	1,348	9,549	12,563
Q4	1,622	1,349	9,882	12,853
2005 Q1	1,566	1,363	10,319	13,248
% change year-over-year last available quarter	0.7%	1.9%	7.9%	6.4%

Period	Manufacturers' Outlook for Business Conditions Companies With Annual Shipments Less Than \$10 Million					
	Balance of Opinion at the Beginning of Quarter* (net of positive & negative percentages)			Percent of Manufacturers Experiencing Production Difficulties From:		
	Inventory Levels High or Low	Orders Rising or Falling (index)	Anticipated Production This Quarter	Working Capital Shortage	Skilled Labour Shortage (%)	Unskilled Labour Shortage
Annual Averages						
1992	13	-11	-6	12	10	0
1993	7	1	2	14	13	1
1994	9	16	15	10	17	1
1995	5	5	6	12	16	2
1996	4	-3	2	9	17	1
1997	4	6	4	10	15	2
1998	8	-13	-7	10	14	1
1999	6	-5	5	9	16	2
2000	8	-1	6	11	20	2
2001	9	-19	-9	9	18	3
2002	1	-6	-1	9	17	3
2003	7	6	11	12	20	2
2004	5	16	16	11	20	5
Quarterly						
2000 Q1	4	-6	-8	9	18	1
Q2	10	13	26	11	21	2
Q3	8	-5	10	13	18	2
Q4	8	-7	-4	9	24	4
2001 Q1	6	-19	-10	10	18	2
Q2	13	-11	19	9	21	3
Q3	10	-23	-6	8	16	3
Q4	8	-24	-38	9	17	3
2002 Q1	3	-26	-16	8	16	4
Q2	2	8	27	10	15	2
Q3	-1	4	3	7	18	4
Q4	1	-9	-17	11	18	3
2003 Q1	6	7	2	14	21	3
Q2	8	6	22	12	18	1
Q3	8	2	10	11	19	2
Q4	7	9	8	10	22	3
2004 Q1	7	5	-2	13	16	3
Q2	5	16	31	13	18	4
Q3	2	23	25	8	21	7
Q4	6	20	11	10	23	6
2005 Q1	1	17	12	7	19	6
Q2	3	26	29	7	23	7

* Note: For Inventory Levels, a positive balance indicates too much inventory, and is thus unfavourable.

For New Orders and Production, a positive balance of opinion is favourable.

Note: These data are gathered from the *Business Conditions Survey*, which is conducted quarterly in January, April, July and October. Most responses are recorded in the first two weeks of these months. Manufacturers with more employees have a correspondingly larger impact on the results.

Period	Manufacturers' Outlook for Business Conditions Companies With Annual Shipments of \$10 Million or More					
	Balance of Opinion at the Beginning of Quarter* (net of positive & negative percentages)			Percent of Manufacturers Experiencing Production Difficulties From:		
	Inventory Levels	Orders Rising or Falling	Anticipated Production This Quarter	Working Capital Shortage	Skilled Labour Shortage	Unskilled Labour Shortage
	High or Low	(index)			(%)	
Annual Averages						
1992	22	-5	-8	21	3	0
1993	30	4	3	12	3	0
1994	9	22	10	10	7	0
1995	2	18	8	5	4	0
1996	40	-8	-7	7	3	0
1997	29	12	12	4	3	1
1998	32	-16	-1	7	3	0
1999	19	6	10	7	4	0
2000	10	10	11	5	5	1
2001	24	-31	-5	6	5	0
2002	15	1	5	7	5	1
2003	15	1	9	9	8	1
2004	7	16	10	7	8	2
Quarterly						
2000 Q1	7	19	12	5	9	2
Q2	19	14	11	6	7	1
Q3	16	7	14	2	2	0
Q4	-4	1	6	5	3	0
2001 Q1	19	-24	-7	4	3	0
Q2	27	-40	4	2	8	0
Q3	37	-33	-9	8	3	1
Q4	14	-26	-7	9	7	0
2002 Q1	15	-5	-2	10	4	1
Q2	13	2	15	2	5	0
Q3	13	11	6	6	5	0
Q4	19	-4	-1	9	6	1
2003 Q1	16	-1	-8	11	12	0
Q2	15	1	15	8	8	1
Q3	20	-6	18	11	7	0
Q4	10	9	10	6	6	1
2004 Q1	5	11	2	7	6	1
Q2	-1	25	24	13	6	1
Q3	16	16	7	4	7	2
Q4	9	13	7	4	12	2
2005 Q1	14	-3	-15	2	11	4
Q2	13	2	26	4	11	5

* Note: For Inventory Levels, a positive balance indicates too much inventory, and is thus unfavourable.
For New Orders and Production, a positive balance of opinion is favourable.

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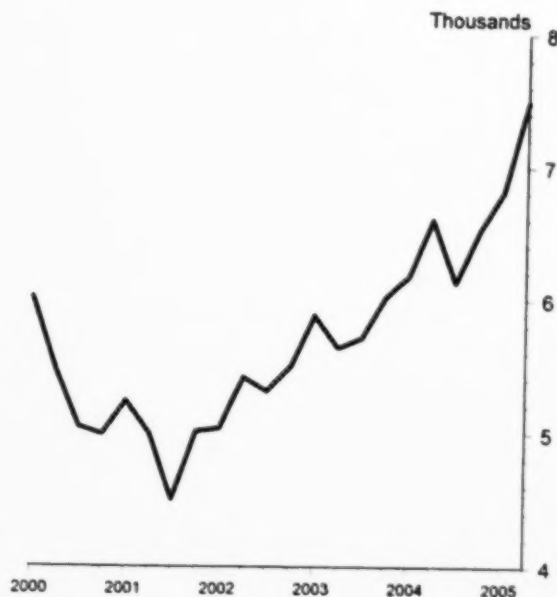
Small Business Quarterly ♦ 2nd Quarter 2005

- There was a slight increase (+0.5%) in the number of small businesses in BC (excluding self-employed persons without paid help) in the second quarter of 2005 compared to the same period a year earlier. There has been very little fluctuation in the number of small businesses with employees over the last few years. Growth in small businesses in BC continues to be driven mainly by the increasing numbers of self-employed.
- The number of self-employed workers in the province has climbed in each quarter since the first quarter of 2001, including a 3.4% jump in the second quarter of 2005. The growth in the second quarter was due entirely to a rise in self-employed with paid help (+11.1%) as those without paid help edged down 0.6%.
- While overall employment in the province showed a 2.0% year-over-year increase in the second quarter, small business employment edged up only 0.6%.
- There was a significant jump in the number of new business incorporations in BC (+13.4%), continuing a streak of increases that began in the second quarter of 2002.
- Business bankruptcies experienced the second straight double-digit year-over-year decline in the second quarter, falling 16.5% (following an 18% drop in the first quarter). Consumer bankruptcies fell for the 11th consecutive quarter, slipping 2.0% in the second quarter.
- The number of urban housing starts in the province slumped 10.4% in the second

quarter. This is the first time there has been a year-over-year drop in starts since the fourth quarter of 2000. It is likely that a combination of labour shortages and lower demand due to high prices has slowed new home construction.

- However, construction crews should continue to stay busy in the province, as the value of both commercial (+50.0%) and industrial (+6.0%) building permits continued to rise in the second quarter.
- The number of chartered bank business loans for less than \$200,000 (the size most likely to be pursued by small business) grew 6.0% in the second quarter, representing the fourth straight quarterly increase after years of consecutive declines.

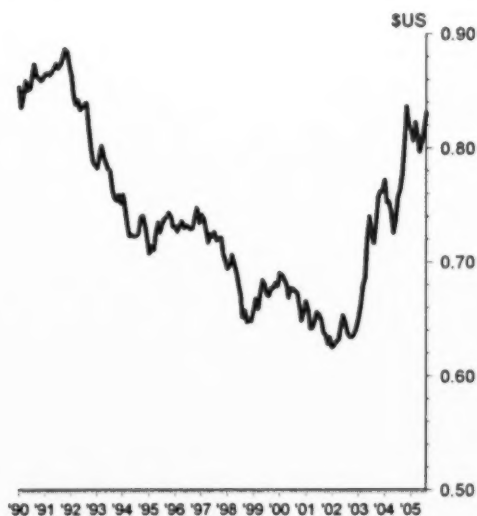
The number of new business incorporations in BC has been trending up since mid-2001



Effects of Rising Canadian Dollar Mixed for Small Business

After a decade of decline against the American dollar, the Canadian loonie made an abrupt turn in 2003 and started a meteoric rise, gaining a full 20 cents in value. The effect this has had on small businesses has been mixed. For some businesses, the rising dollar has been positive, while for others it has posed a significant threat.

The Canadian loonie has appreciated substantially against the American greenback in the last few years



Small businesses that export are particularly concerned with the rapid appreciation of the dollar. For firms that value their goods in Canadian currency, the higher dollar means that their goods are now more expensive for American buyers. For businesses that have their merchandise priced in American dollars, the loonie's appreciation has resulted in a drop in revenue. If the price of their goods remains unchanged when priced in American currency, it means that they are getting less Canadian funds in the transaction. Since most of these businesses have to pay their expenses, such as labour costs, in Canadian dollars, this translates into a revenue loss.

The growth of the Canadian dollar compared to the US greenback has not necessarily been matched in relation to other currencies. While the loonie has also appreciated against some other currencies, such as the Japanese Yen, it has been flat or even declined relative to others, such as the European Union's Euro. However, since the United States is the primary destination for goods exported from Canada, regardless of the size of business of the exporter, the rising value of the Canadian dollar relative to its American counterpart is a significant obstacle to overcome. For small businesses, in particular, there are fewer opportunities to shift some of their business to other destinations.

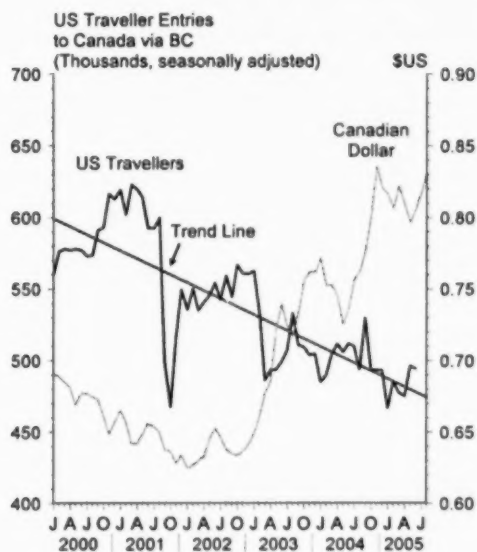
The Canadian dollar has appreciated against some currencies, but not others



It is not only businesses that export merchandise that are negatively affected by the rising dollar. Those that export services are also feeling the pinch. For example, the tourism sector is particularly vulnerable to large shifts in the value of the dollar. Over the last few years there has been a definite down-

ward trend in Americans visiting British Columbia. The dollar hasn't been the only reason for the decline - 9/11 resulted in a temporary sharp drop in visitors, SARS had a short-term effect and gasoline prices are likely partially to blame - but the value of the dollar has definitely played a part in the falling number of visitors.¹

Fewer Americans have been visiting BC lately



Source: BC Stats.

British Columbia's television and film sector has also been struggling to deal with the effects of the rising dollar, with American film companies threatening to film elsewhere due to rising costs largely resulting from the exchange rate.

For those businesses that export goods and/or services the rapid increase in the value of the Canadian dollar is having a negative influence, particularly for small businesses, since their profit margins tend to be smaller and they are less able to absorb declining revenues.

¹ See the June 2005 issue of the *Tourism Sector Monitor* for a discussion of the results of a statistical regression that show a definite relation between the dollar's value and the number of US tourists visiting BC.

However, there are some small businesses that see the higher dollar as a positive thing. Businesses that import significant amounts of goods and services from the United States benefit from the higher Canadian dollar because it makes those goods less expensive. For retailers that sell a lot of imported goods, this means that they can offer their customers lower prices, which will likely translate into greater sales. The higher dollar is also a benefit to businesses that use imported goods as inputs into their production process, whether those goods are parts of a final product, or machinery and equipment used to produce that product.

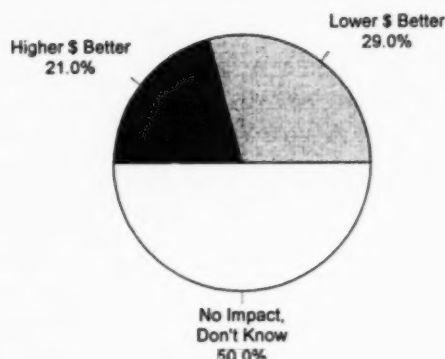
This latter point can also be of benefit to exporters and can mitigate some of the effects of lost revenue from export sales. When the Canadian dollar was sitting at historic lows, the cost of importing machinery and equipment was at its peak and this may have prevented some businesses, particularly small businesses with a small profit margin, from upgrading to equipment that could improve productivity. The higher dollar means that this equipment is now more affordable and some companies may be able to offset revenue losses by improving their productivity and thereby lowering costs.

Other businesses that may benefit from a higher valued dollar are those that have large amounts of debt denominated in US currency. For these companies, the rising dollar will allow them to pay those debts off quicker since they can make the same payments as before (in Canadian dollars) and actually pay off a larger portion of the debt.

To emphasize the difference in the impact of a higher or lower dollar, one needs to look no further than a

Canadian Federation of Independent Business survey of its members in 2003.² This survey found that 29% of respondents felt that a lower dollar was better for them, while 21% were in favour of a higher dollar. Half of the respondents either felt the value of the dollar had no impact or they weren't sure what the impact was.

Small and medium-sized businesses are split on whether or not a higher dollar is a good thing



Source: Canadian Federation of Independent Business

A survey of business leaders performed by COMPAS in November 2004 showed a similar split for all businesses regardless of size.³ With the dollar at 83 cents, a third (33%) of those business leaders surveyed suggested it should go higher, 36% wanted to see it go lower and the remainder either wanted it to stay the same or had no opinion. The mean value favoured for the Canadian dollar was 83 cents US with those wanting a higher dollar preferring one at 91 cents

US and those looking for a lower dollar suggesting 76 cents US was a good level.

Based on these results, it appears that the current value of the dollar of around 85 cents US still has room to move up for some business owners, but is already far too high for others. In other words, no matter what happens with the exchange rate, there will be small businesses that win and those that lose. For those for which a higher dollar is harmful, the best they can hope for is that the pace of change is gradual enough that they can make the necessary adjustments to remain competitive and stay in business.

² Mallett, Ted. *Quarterly Business Barometer*, 2003 No. 2, Canadian Federation of Independent Business (June 2003).

³ The Canadian Dollar: A BDO Dunwoody/Chamber Weekly CEO/Business Leader Poll by COMPAS in the Financial Post for Publication November 15, 2004.

Recent Feature Articles Listed by Issue Number

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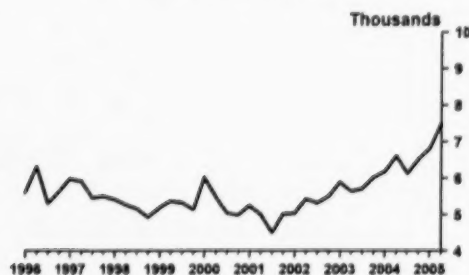
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98-3: 'The Long and the Short of Working Hours For Self-Employed'

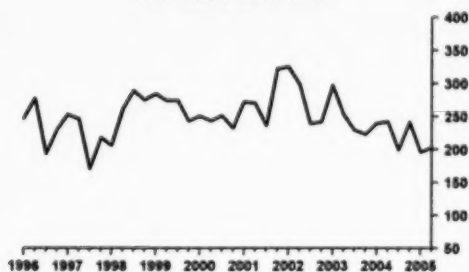
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Business Counts, Formations and Failures

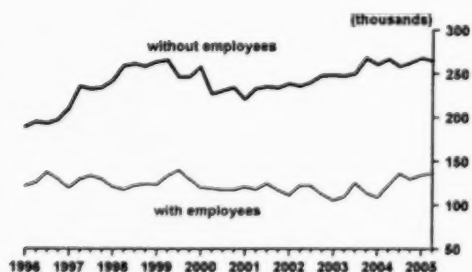
New Business Incorporations in British Columbia



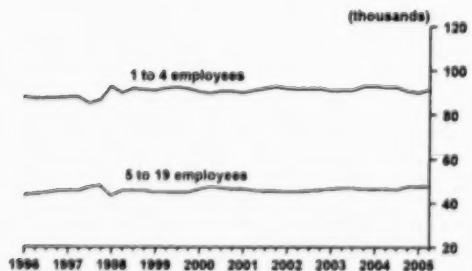
Number of Business Bankruptcies in British Columbia



Self-Employed Persons



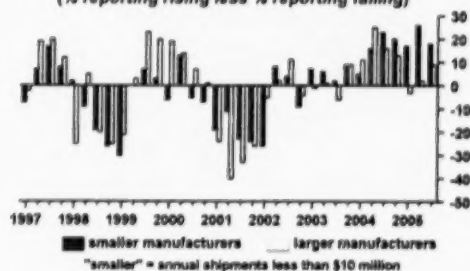
Small Businesses With Employees



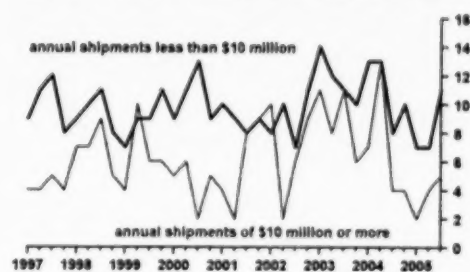
Business Conditions

Balance of Opinion on New Orders Received at Start of Quarter

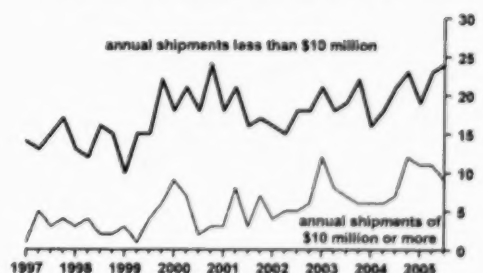
(% reporting rising less % reporting falling)



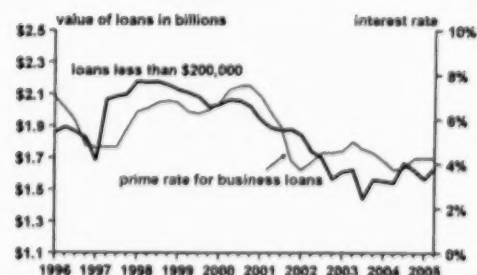
Per Cent of Manufacturers Experiencing Shortage of Working Capital



Per Cent of Manufacturers Experiencing Shortage of Skilled Labour



Chartered Bank Business Loans in British Columbia



Period	Active Employer Businesses ¹ by number of employees						Employment ² by number of employees in business				Self-employed ³ with without		
	Total	1-4	5-9	10-19	20-49	1-49	Total ⁴	1-19	20-49	50+	Total ⁵	paid help	paid help
				(000)							(000)		
Annual Averages													
1996	148.2	87.9	26.5	18.1	10.8	143.2					327.1	128.7	193.7
1997	150.9	87.2	27.5	19.2	11.7	145.5					361.4	128.3	226.7
1998	153.7	91.6	26.9	18.2	11.5	148.2					382.6	121.2	255.1
1999	154.6	92.0	26.8	18.2	11.9	148.9					392.1	131.5	255.5
2000	156.6	90.5	27.5	19.3	13.0	150.3	1,565.3	411.5	181.9	971.9	361.4	118.3	237.3
2001	156.9	91.5	27.2	18.5	12.4	149.7	1,585.7	412.3	186.3	987.1	354.7	120.1	230.7
2002	156.8	91.8	27.2	18.3	12.4	149.6	1,601.4	412.3	193.9	995.1	360.3	117.0	240.6
2003	157.6	91.4	27.8	18.7	12.5	150.4	1,626.2	417.1	200.2	1,008.8	370.5	113.4	253.4
2004	158.4	92.1	27.7	18.9	12.5	151.2	1,654.6	429.8	201.8	1,023.0	388.1	124.2	261.9
% change 2003-2004	0.5%	0.7%	-0.4%	1.0%	0.1%	0.5%	1.7%	3.0%	0.8%	1.4%	4.7%	9.5%	3.3%
Quarterly													
	<u>End of Quarter</u>						<u>Quarterly</u>				<u>Quarterly Averages</u>		
2002 Q1	156.2	91.9	27.0	18.2	12.1	149.1	1,562.7	401.5	181.8	979.4	353.2	111.5	238.6
Q2	156.5	91.7	27.0	18.2	12.3	149.3	1,606.2	412.8	197.4	996.0	359.2	122.3	235.7
Q3	157.0	91.7	27.3	18.3	12.5	149.7	1,615.5	420.0	200.5	995.0	365.5	121.8	240.3
Q4	157.6	91.8	27.3	18.5	12.6	150.3	1,621.1	415.1	195.9	1,010.1	363.1	112.3	247.8
2003 Q1	157.2	90.9	27.8	18.6	12.6	149.8	1,602.1	405.7	191.2	1,005.3	357.4	105.5	248.4
Q2	157.4	91.0	27.9	18.7	12.6	150.2	1,644.3	418.8	203.1	1,022.5	360.9	109.3	247.5
Q3	157.5	91.1	27.9	18.8	12.5	150.3	1,627.1	425.0	205.3	996.8	378.1	125.4	250.2
Q4	158.4	92.8	27.7	18.6	12.3	151.3	1,631.3	419.1	201.4	1,010.8	385.6	113.6	267.6
2004 Q1	158.7	93.0	27.5	18.7	12.3	151.6	1,613.0	415.3	196.9	1,000.7	371.7	108.7	260.3
Q2	158.5	92.5	27.7	18.8	12.3	151.3	1,669.4	434.8	203.7	1,030.9	390.5	122.3	266.5
Q3	158.0	92.4	27.5	18.6	12.3	150.8	1,663.2	437.7	207.4	1,018.1	395.7	136.1	258.2
Q4	158.4	90.6	28.1	19.4	13.0	151.0	1,672.7	431.3	199.0	1,042.4	394.4	129.5	262.5
2005 Q1	158.3	90.0	28.1	19.4	13.2	150.7	1,649.0	422.5	193.2	1,033.2	406.7	133.8	268.0
Q2	160.1	91.4	28.2	19.5	13.4	152.5	1,702.3	436.5	205.6	1,060.3	403.8	136.0	265.1
% change year-over-year last available quarter	1.0%	-1.2%	1.8%	3.8%	8.6%	0.8%	2.0%	0.4%	0.9%	2.8%	3.4%	11.1%	-0.6%
Monthly													
Sep-04											389.5	133.5	254.2
Oct-04											396.7	133.8	261.1
Nov-04											395.3	135.2	258.1
Dec-04											391.2	119.6	268.2
Jan-05											401.8	131.0	266.0
Feb-05											405.7	130.4	269.6
Mar-05											412.7	140.0	268.3
Apr-05											411.3	147.8	259.2
May-05											396.2	130.0	263.8
Jun-05											404.0	130.1	272.2
Jul-05											423.1	143.4	277.0
Aug-05											425.5	145.5	276.5
% change year-over-year last available month											7.6%	9.2%	5.8%
year-to-date	-	-	-	-	-	-	-	-	-	-	410.0	137.3	269.1

Notes:

¹ Source: Business Register² Source: Survey of Employment, Payroll and Hours³ Source: Labour Force Survey⁴ Industrial aggregate excluding unclassified⁵ Total self-employed includes persons working in family business without pay

Source: Statistics Canada.

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2nd Quarter 2005

BC Stats (250) 387-0376

Period	Business Formation Indicators			Bankruptcies	
	New BC Business Incorporations	Registrations Extraprovincial Companies (number)	Registrations Unincorporated Businesses	Business	Consumer
Annual Totals				(number)	
1995	23,846	1,966	19,279	973	4,747
1996	22,848	2,061	20,367	948	6,436
1997	22,958	2,188	19,863	895	7,366
1998	20,759	2,233	19,507	1,031	7,327
1999	21,009	2,366	20,917	1,075	8,179
2000	21,515	2,528	20,822	976	9,181
2001	19,749	2,479	21,306	1,100	9,474
2002	21,262	2,383	22,487	1,105	9,527
2003	23,243	2,544	25,121	1,002	9,393
2004	25,428	2,456	25,244	921	8,386
% change 2003-2004	9.4%	-3.5%	0.5%	-8.1%	-10.7%
Quarterly Totals					
2001 Q1	5,236	714	5,400	272	2,503
Q2	4,997	663	5,853	270	2,483
Q3	4,504	546	4,959	236	2,232
Q4	5,012	556	5,094	322	2,256
2002 Q1	5,035	604	5,335	325	2,469
Q2	5,417	616	6,220	299	2,472
Q3	5,313	559	5,772	239	2,388
Q4	5,497	604	5,160	242	2,198
2003 Q1	5,878	694	6,878	297	2,467
Q2	5,638	674	6,642	253	2,463
Q3	5,711	547	5,852	229	2,272
Q4	6,016	629	5,749	223	2,191
2004 Q1	6,175	755	6,835	239	2,299
Q2	6,602	547	6,655	242	2,254
Q3	6,128	618	5,796	199	1,909
Q4	6,523	536	5,958	241	1,924
2005 Q1	6,814	544	6,637	196	2,205
Q2	7,489	719	7,452	202	2,187
% change year-over-year last available quarter	13.4%	31.4%	12.0%	-16.5%	-3.0%
Monthly					
Sep-04	2,022	210	1,941	57	681
Oct-04	2,015	182	1,993	79	684
Nov-04	2,109	166	2,094	81	643
Dec-04	2,399	188	1,871	81	597
Jan-05	2,141	174	1,806	52	665
Feb-05	2,223	187	2,266	70	798
Mar-05	2,450	183	2,565	74	742
Apr-05	2,460	223	2,415	64	741
May-05	2,445	250	2,537	77	739
Jun-05	2,584	246	2,500	61	707
Jul-05	2,220	237	2,026	60	628
Aug-05	2,331	260	2,169	76	647
year-to-date	18,854	1,760	18,284	534	5,667
% change year-over-year last available month	14.8%	57.6%	15.0%	2.7%	6.1%

Period	Interest Rates			Exchange Rate	Consumer Price Index		
	Bank Rate	Prime Rate (per cent)	Conventional 5 Year Mortgage	Canadian \$ Average Noon Spot Rate (U.S. \$)	BC	Vancouver*	Victoria*
Annual Averages					(1992=100)		
1997	3.52	4.96	7.07	72.24	109.7	109.8	109.7
1998	5.10	6.60	6.93	67.48	110.0	110.4	110.0
1999	4.92	6.44	7.56	67.32	111.2	111.4	111.1
2000	5.77	7.27	8.35	67.34	113.3	113.9	113.0
2001	4.31	5.81	7.40	64.58	115.2	116.0	114.3
2002	2.71	4.21	7.02	63.69	117.9	118.6	117.4
2003	3.19	4.69	6.39	71.58	120.4	121.0	120.0
2004	2.50	4.00	6.23	76.98	122.8	123.4	122.8
% change 2003-2004	N/A	N/A	N/A	7.5%	2.0%	2.0%	2.3%
difference 2003-2004	-0.69	-0.69	-0.16	N/A	N/A	N/A	N/A
Quarterly Averages							
2002 Q1	2.25	3.75	7.05	62.72	116.0	116.8	115.5
Q2	2.58	4.08	7.37	64.35	118.0	118.8	117.5
Q3	3.00	4.50	6.85	63.97	118.7	119.4	118.3
Q4	3.00	4.50	6.80	63.72	118.8	119.6	118.4
2003 Q1	3.08	4.58	6.63	66.26	119.7	120.4	119.3
Q2	3.50	5.00	6.20	71.58	120.3	120.9	119.8
Q3	3.17	4.67	6.28	72.46	120.9	121.4	120.5
Q4	3.00	4.50	6.45	76.00	120.8	121.4	120.5
2004 Q1	2.67	4.17	5.85	75.90	121.2	121.8	121.0
Q2	2.25	3.75	6.45	73.57	123.1	123.7	123.0
Q3	2.33	3.83	6.38	76.51	123.4	124.0	123.4
Q4	2.75	4.25	6.25	81.94	123.6	124.2	123.7
2005 Q1	2.75	4.25	6.12	81.50	123.8	124.5	123.9
Q2	2.75	4.25	5.90	80.40	125.2	125.7	125.4
% change year-over-year last available quarter	N/A	N/A	N/A	9.3%	1.7%	1.6%	2.0%
difference year-over-year last available quarter	0.50	0.50	-0.55	N/A	N/A	N/A	N/A
Monthly							
Sep-04	2.50	4.00	6.30	77.65	123.5	124.1	123.6
Oct-04	2.75	4.25	6.40	80.20	123.5	124.2	123.6
Nov-04	2.75	4.25	6.30	83.61	123.7	124.2	123.8
Dec-04	2.75	4.25	6.05	82.03	123.5	124.2	123.6
Jan-05	2.75	4.25	6.05	81.61	123.6	124.3	123.6
Feb-05	2.75	4.25	6.05	80.67	123.8	124.4	123.9
Mar-05	2.75	4.25	6.25	82.23	124.1	124.8	124.3
Apr-05	2.75	4.25	6.05	80.90	124.9	125.4	125.1
May-05	2.75	4.25	5.95	79.65	125.2	125.7	125.4
Jun-05	2.75	4.25	5.70	80.63	125.4	125.9	125.6
Jul-05	2.75	4.25	5.80	81.78	125.7	126.3	125.9
Aug-05	2.75	4.25	5.80	83.05	125.9	126.4	126.0
% change year-over-year last available month	N/A	N/A	N/A	8.9%	2.1%	1.9%	2.2%
difference year-over-year last available month	0.50	0.50	-0.50	N/A	N/A	N/A	N/A

* Census Metropolitan Area

Period	Commercial Building Permits			Industrial Building Permits			Urban Housing Starts	
	BC	Vancouver*	Victoria*	BC	Vancouver*	Victoria*	BC	Vancouver
	(\$ thousands)			(\$ thousands)			(number)	
Annual Totals								
1995	1,023,877	597,580	57,744	247,133	109,178	10,626	23,604	14,992
1996	1,225,837	675,541	88,661	252,646	151,875	5,499	24,744	15,453
1997	1,358,450	849,207	78,280	285,814	163,773	6,777	25,210	15,950
1998	1,311,124	810,117	76,173	273,279	160,652	15,858	17,631	11,878
1999	1,142,105	652,159	101,453	319,145	172,604	5,931	14,176	8,677
2000	1,297,270	868,865	76,834	295,525	147,574	14,763	12,353	8,203
2001	1,171,233	718,860	86,782	221,353	105,178	21,843	15,689	10,862
2002	1,116,741	746,220	104,278	230,119	129,291	9,167	20,315	13,197
2003	1,129,623	607,764	134,420	244,024	90,082	20,451	24,720	15,626
2004	1,228,027	812,400	67,800	328,050	140,419	8,120	30,875	19,430
% change 2003-2004	8.7%	33.7%	-49.6%	34.4%	55.9%	-60.3%	24.9%	24.3%
Quarterly Totals								
2001 Q1	273,963	162,249	23,467	65,245	30,677	9,657	2,946	2,149
Q2	406,173	271,274	26,720	56,965	21,011	2,133	4,619	3,620
Q3	280,778	159,138	15,570	57,121	29,033	7,512	4,176	2,802
Q4	210,319	126,199	21,025	42,022	24,457	2,541	3,948	2,291
2002 Q1	198,407	125,804	18,170	25,849	12,710	2,091	3,659	2,285
Q2	353,724	264,566	28,515	73,400	42,047	3,452	5,279	3,548
Q3	266,902	144,797	41,744	79,205	47,950	2,380	5,934	4,020
Q4	297,708	211,053	15,849	51,665	26,584	1,244	5,443	3,344
2003 Q1	200,086	107,691	27,775	40,679	22,785	1,003	4,206	2,588
Q2	313,669	156,577	29,849	65,985	16,043	1,500	6,097	3,740
Q3	355,162	159,179	54,930	75,441	28,652	12,986	7,678	5,146
Q4	260,706	184,317	21,866	61,919	22,602	4,962	6,739	4,152
2004 Q1	260,672	174,174	14,042	47,164	10,009	3,393	6,079	3,698
Q2	374,553	266,254	17,076	79,549	41,841	1,791	9,008	6,064
Q3	328,277	198,638	13,676	92,804	28,585	1,781	8,533	5,437
Q4	264,525	173,334	23,006	108,533	59,984	1,155	7,255	4,231
2005 Q1	474,243	316,974	19,502	64,914	29,554	5,631	6,240	4,112
Q2	561,904	368,490	45,246	84,315	28,872	928	8,073	4,462
% change year-over-year last available quarter	50.0%	38.4%	165.0%	6.0%	-31.0%	-48.2%	-10.4%	-26.4%
Monthly								
Sep-04	116,952	69,967	4,964	28,060	7,170	846	2,791	1,682
Oct-04	84,135	54,474	3,128	14,598	4,030	641	2,104	1,151
Nov-04	77,179	42,534	9,596	68,221	43,152	252	2,789	1,703
Dec-04	103,211	76,326	10,282	25,714	12,802	262	2,362	1,377
Jan-05	91,512	70,232	2,440	20,733	4,850	4,734	1,870	1,352
Feb-05	124,843	78,689	5,152	14,641	7,814	184	1,964	1,210
Mar-05	257,888	168,053	11,910	29,540	16,890	713	2,406	1,550
Apr-05	185,069	102,738	22,074	24,761	9,135	694	2,633	1,348
May-05	170,558	128,906	12,966	18,409	6,257	170	2,959	1,797
Jun-05	206,277	136,846	10,206	41,145	13,480	64	2,481	1,317
Jul-05	123,665	63,467	13,795	44,321	11,437	259	2,975	1,645
Aug-05	-	-	-	-	-	-	2,730	1,723
year-to-date	1,159,812	748,931	78,543	193,550	69,863	6,818	20,018	11,942
% change year-over-year last available month	57.8%	34.0%	226.8%	64.0%	-23.2%	-40.5%	-16.4%	-24.7%

* Census Metropolitan Area

Period	Chartered Bank Business Loans in British Columbia			Total
	Less than \$200,000	\$200,000 to \$500,000	Greater than \$500,000	
	(\$ millions)			
Annual Averages				
1996	1,861	1,508	9,162	12,530
1997	1,985	1,724	10,081	13,790
1998	2,172	1,825	11,077	15,074
1999	2,084	1,710	10,807	14,601
2000	2,045	1,605	10,575	14,224
2001	1,896	1,516	9,746	13,158
2002	1,710	1,393	9,373	12,475
2003	1,558	1,297	9,491	12,347
2004	1,597	1,346	9,730	12,673
% change 2003-2004	2.5%	3.8%	2.5%	2.6%
Quarterly				
1997 Q1	1,686	1,534	9,853	13,073
Q2	2,068	1,751	9,751	13,570
Q3	2,088	1,770	10,337	14,195
Q4	2,098	1,841	10,384	14,323
1998 Q1	2,180	1,842	11,115	15,137
Q2	2,174	1,842	11,338	15,354
Q3	2,178	1,816	11,104	15,098
Q4	2,157	1,801	10,750	14,708
1999 Q1	2,128	1,792	10,908	14,828
Q2	2,108	1,735	10,975	14,818
Q3	2,080	1,686	10,876	14,642
Q4	2,020	1,627	10,467	14,114
2000 Q1	2,035	1,631	10,636	14,302
Q2	2,063	1,638	10,812	14,513
Q3	2,059	1,586	10,608	14,253
Q4	2,021	1,564	10,244	13,829
2001 Q1	1,942	1,561	10,171	13,674
Q2	1,890	1,539	9,552	12,981
Q3	1,873	1,502	9,599	12,974
Q4	1,879	1,461	9,662	13,002
2002 Q1	1,842	1,484	9,912	13,238
Q2	1,742	1,439	9,897	13,078
Q3	1,702	1,400	9,344	12,446
Q4	1,552	1,247	8,337	11,136
2003 Q1	1,599	1,312	9,159	12,070
Q2	1,626	1,327	9,795	12,748
Q3	1,445	1,292	9,700	12,437
Q4	1,563	1,258	9,311	12,132
2004 Q1	1,555	1,337	9,560	12,452
Q2	1,545	1,350	9,928	12,823
Q3	1,666	1,348	9,549	12,563
Q4	1,622	1,349	9,882	12,853
2005 Q1	1,566	1,363	10,319	13,248
Q2	1,637	1,388	10,745	13,770
% change year-over-year last available quarter	6.0%	2.8%	8.2%	7.4%

Period	Manufacturers' Outlook for Business Conditions Companies With Annual Shipments Less Than \$10 Million					
	Balance of Opinion at the Beginning of Quarter* (net of positive & negative percentages)			Percent of Manufacturers Experiencing Production Difficulties From:		
	Inventory Levels	Orders Rising or Falling	Anticipated Production This Quarter	Working Capital Shortage	Skilled Labour Shortage	Unskilled Labour Shortage
	High or Low	(index)			(%)	
Annual Averages						
1993	7	1	2	14	13	1
1994	9	16	15	10	17	1
1995	5	5	6	12	16	2
1996	4	-3	2	9	17	1
1997	4	6	4	10	15	2
1998	8	-13	-7	10	14	1
1999	6	-5	5	9	16	2
2000	8	-1	6	11	20	2
2001	9	-19	-9	9	18	3
2002	1	-6	-1	9	17	3
2003	7	6	11	12	20	2
2004	5	16	16	11	20	5
Quarterly						
2000 Q1	4	-6	-8	9	18	1
Q2	10	13	26	11	21	2
Q3	8	-5	10	13	18	2
Q4	8	-7	-4	9	24	4
2001 Q1	6	-19	-10	10	18	2
Q2	13	-11	19	9	21	3
Q3	10	-23	-6	8	16	3
Q4	8	-24	-38	9	17	3
2002 Q1	3	-26	-16	8	16	4
Q2	2	8	27	10	15	2
Q3	-1	4	3	7	18	4
Q4	1	-9	-17	11	18	3
2003 Q1	6	7	2	14	21	3
Q2	8	6	22	12	18	1
Q3	8	2	10	11	19	2
Q4	7	9	8	10	22	3
2004 Q1	7	5	-2	13	16	3
Q2	5	16	31	13	18	4
Q3	2	23	25	8	21	7
Q4	6	20	11	10	23	6
2005 Q1	1	17	12	7	19	6
Q2	3	26	29	7	23	7
Q3	6	18	22	11	24	8

* Note: For Inventory Levels, a positive balance indicates too much inventory, and is thus unfavourable.
For New Orders and Production, a positive balance of opinion is favourable.

Note: These data are gathered from the *Business Conditions Survey*, which is conducted quarterly in January, April, July and October. Most responses are recorded in the first two weeks of these months. Manufacturers with more employees have a correspondingly larger impact on the results.

Period	Manufacturers' Outlook for Business Conditions Companies With Annual Shipments of \$10 Million or More					
	Balance of Opinion at the Beginning of Quarter* (net of positive & negative percentages)			Percent of Manufacturers Experiencing Production Difficulties From:		
	Inventory Levels High or Low	Orders Rising or Falling (index)	Anticipated Production This Quarter	Working Capital Shortage	Skilled Labour Shortage (%)	Unskilled Labour Shortage
Annual Averages						
1993	30	4	3	12	3	0
1994	9	22	10	10	7	0
1995	2	18	8	5	4	0
1996	40	-8	-7	7	3	0
1997	29	12	12	4	3	1
1998	32	-16	-1	7	3	0
1999	19	6	10	7	4	0
2000	10	10	11	5	5	1
2001	24	-31	-5	6	5	0
2002	15	1	5	7	5	1
2003	15	1	9	9	8	1
2004	7	16	10	7	8	2
Quarterly						
2000 Q1	7	19	12	5	9	2
Q2	19	14	11	6	7	1
Q3	16	7	14	2	2	0
Q4	-4	1	6	5	3	0
2001 Q1	19	-24	-7	4	3	0
Q2	27	-40	4	2	8	0
Q3	37	-33	-9	8	3	1
Q4	14	-26	-7	9	7	0
2002 Q1	15	-5	-2	10	4	1
Q2	13	2	15	2	5	0
Q3	13	11	6	6	5	0
Q4	19	-4	-1	9	6	1
2003 Q1	16	-1	-8	11	12	0
Q2	15	1	15	8	8	1
Q3	20	-6	18	11	7	0
Q4	10	9	10	6	6	1
2004 Q1	5	11	2	7	6	1
Q2	-1	25	24	13	6	1
Q3	16	16	7	4	7	2
Q4	9	13	7	4	12	2
2005 Q1	14	-3	-15	2	11	4
Q2	13	2	26	4	11	5
Q3	9	9	17	5	9	5

* Note: For Inventory Levels, a positive balance indicates too much inventory, and is thus unfavourable.
For New Orders and Production, a positive balance of opinion is favourable.

Note: These data are gathered from the *Business Conditions Survey*, which is conducted quarterly in January, April, July and October. Most responses are recorded in the first two weeks of these months. Manufacturers with more employees have a correspondingly larger impact on the results.



NUMBER

NUMÉRO

3

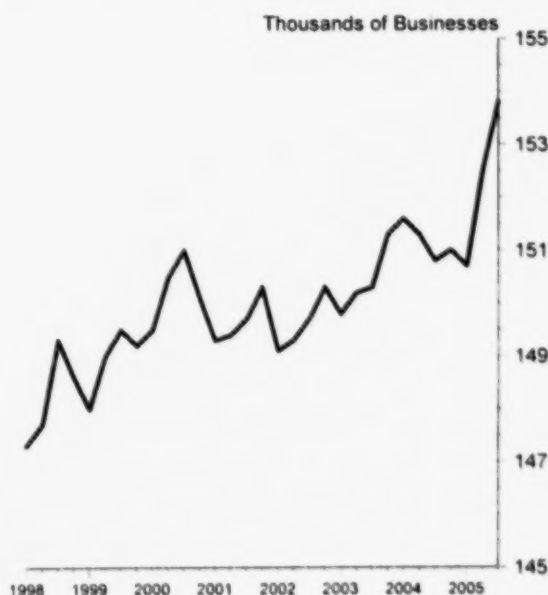
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Small Business Quarterly ♦ 3rd Quarter 2005

- The number of small businesses in BC (excluding self-employed persons without paid help) climbed 2.0% in the third quarter of 2005 compared to the same period a year earlier. This is the largest increase in small businesses with employees in seven years.
- The number of self-employed workers in the province jumped 7.6% in the third quarter as both self-employed with (+4.7%) and without (+8.0%) paid help increased in number. The number of self-employed has risen in each quarter since the first quarter of 2001.
- Employment in small businesses rose slightly faster than overall employment in the third quarter, climbing 1.7% compared to 1.6% for total employment in the province. The fastest growth was in the number of jobs in businesses with 20-49 employees (+3.2%) as employment growth in businesses with fewer than 20 employees was only 1.0%.
- The number of new business incorporations in BC soared 13.7% in the third quarter, continuing a streak of increases that began in the second quarter of 2002.
- Both business and consumer bankruptcies were up in the third quarter compared to the same period a year earlier. For consumer bankruptcies, the 1.9% jump was the first time in three years that the number has climbed. The 1.5% boost in business bankruptcies comes on the heels of two straight quarters of double-digit declines.
- The number of urban housing starts in the province was up 3.1% in the third quarter despite the fact that starts in BC's largest metropolitan area – Vancouver – fell 1.4%.
- The value of both commercial (+50.0%) and industrial (+5.8%) building permits continued to rise in the third quarter. In Vancouver, commercial permits jumped 25.2% and industrial permits rose 39.3%, while in the provincial capital, commercial permits soared 435.9% and industrial permits edged up 6.5%.
- The number of chartered bank business loans for less than \$200,000 (the size most likely to be pursued by small business) slumped 6.1% in the third quarter. This was the first year-over-year decline since the second quarter of 2004.

Small businesses with employees are on the rise in British Columbia



BC Restaurants: An Industry Overview

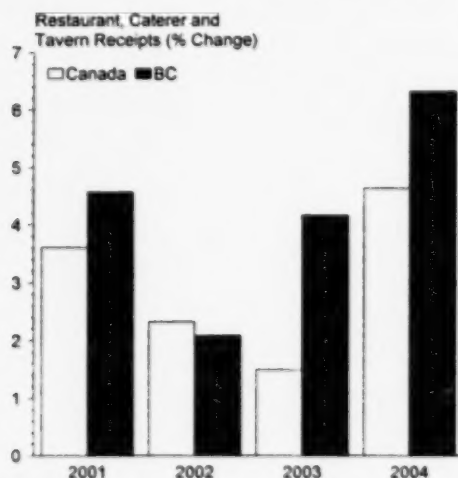
By Jade Norton

British Columbia's foodservice industry has made great strides in recent years and BC is currently the top-performing province in terms of foodservice sales. According to Geoffrey Howes, Past Chair of the BC Restaurant and Foodservices Association (BCRFA), "BC's positive economic climate [...] is reflecting in more people dining out and people spending more."¹ It is particularly important to assess the province's foodservice industry as we prepare to host the world for the 2010 Winter Olympics.

Restaurant Performance in BC

Over the five year period from 2000 to 2004, BC restaurants showed signs of steady performance growth. One of the strongest indicators of the success of restaurants is measured in the strength of the restaurant, caterer & tavern receipts posted on a monthly basis by Statistics Canada.

BC Records Higher Increase in Receipts

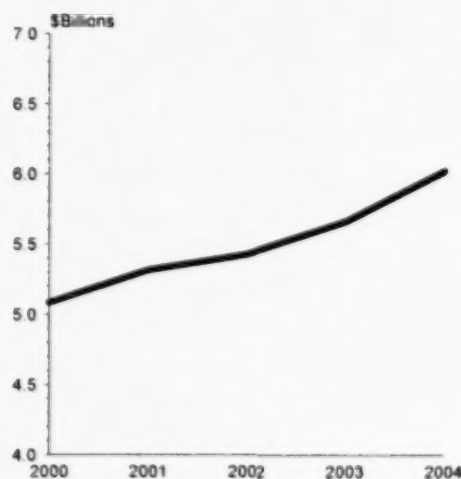


Data Source: Statistics Canada

¹ BCRFA report 'BC's Restaurant Industry Helps Propel Provincial Growth' May 6, 2005. Retrieved from: <http://www.bcrfa.com>

In 2004, BC's restaurant, caterer and tavern receipts continued to climb, reaching an annual record high of over \$6.0 billion. This represented an 18.2% increase from 2000, significantly higher than the national increase of 12.6% over the same period.²

BC's Restaurant, Caterer and Tavern Receipts Climb Steadily



Data Source: Statistics Canada

The operating revenue for food services & drinking places,³ a subsector of accommodation & food services, has also shown signs of significant increases. At \$5.5 billion in 2003 (the latest year for which data is available), operating revenues for BC's restaurants and drinking places were 6.1% higher than in 2002. Canada's total operating revenue for restaurants & drinking places slipped

² All data is from Statistics Canada unless stated otherwise.

³ This subsector of accommodation and food services is comprised of establishments primarily engaged in preparing meals, snacks and beverages for immediate consumption on and off the premises. It does not include food services activities that occur within hotels, civic and social associations, amusement & recreation parks and theatres.

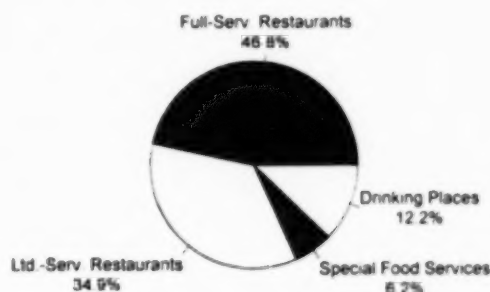
(-0.3%) over the same period, mostly as a result of the impact of SARS in Ontario where operating revenue was down 7.9% from 2002.

Among the other provinces, BC was second only to Quebec in terms of growth in operating revenue. BC outperformed the other western provinces, as Alberta recorded a more lacklustre increase (+1.6%) and Saskatchewan's operating revenue dropped (-7.1%).

"These numbers back up what we've been hearing anecdotally for some time now," says Ian Tostenson, President and CEO of the BC Restaurant and Foodservices Association. "Hotels, pubs, fine dining establishments, quick service operators - they're all generally experiencing good growth."⁴

Provincially in 2004, full-service restaurants, where patrons are served while seated and pay after eating, accounted for 46.8% of total operating revenue for food services & drinking places. Limited-service establishments, such as cafes, where patrons select items at a counter and pay before eating, made up 34.9%. Drinking places, which consist of bars and taverns primarily serving alcoholic beverages, represented 12.2% while special food services, which provide portable services at the customer's location, accounted for 6.2%.⁵

Restaurants Generate Most Revenue for Food Services & Drinking Places



Data Source: Statistics Canada

Employment Characteristics

The foodservice industry is one of BC's largest employers and provides more first-time job experience and training for young, inexperienced workers than any other industry in the province. According to BCRFA, there is an immense demand for employees in every position, from entry level to executive chef and managerial positions.⁶

In Canada, the foodservice industry employs more than one million people, representing 6.5% of the nation's total employment. This means that more people work in food services than in agriculture, forestry, pulp and paper, banking, petroleum production & distribution and motor vehicle & parts manufacturing combined.

Reaching 754,017 persons in 2004, employees of restaurants and drinking places represent most food-service jobs in Canada. In 2004, BC had 117,786 employees working in restaurants & drinking places, making up 8.7% of workers

⁴ BCRFA report 'BC's Restaurant Industry Helps Propel Provincial Growth' May 6, 2005. Retrieved from: <http://www.bcrfa.com>

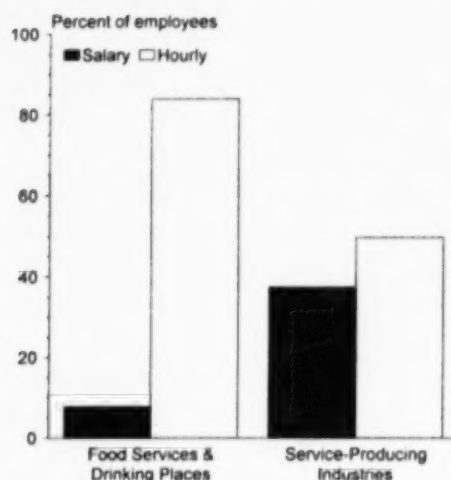
⁵ For further description of industries and groups, refer to the North American Industry Classification System (NAICS) under classification number 722.

⁶ BCRFA report 'BC's Restaurant Industry Helps Propel Provincial Growth' May 6, 2005. Retrieved from: <http://www.bcrfa.com>

in the service-producing industries as a whole.

Most (84.0%) of the employees of restaurant & drinking places were paid by the hour and only 7.8% were paid by fixed salary. This is in stark contrast to the service-producing industries as a whole where 49.7% of workers are paid hourly wages and 37.4% are paid salary.

Employees of Food Services & Drinking Places
Paid Mostly by the Hour



Data Source: Statistics Canada

This is indicative of the unpredictability of restaurant work, in that the volume of customer influx, and the consequent need for labour, varies daily, monthly, seasonally and even annually for many establishments. Most employees paid on a salary basis are in either supervisory or managerial positions.

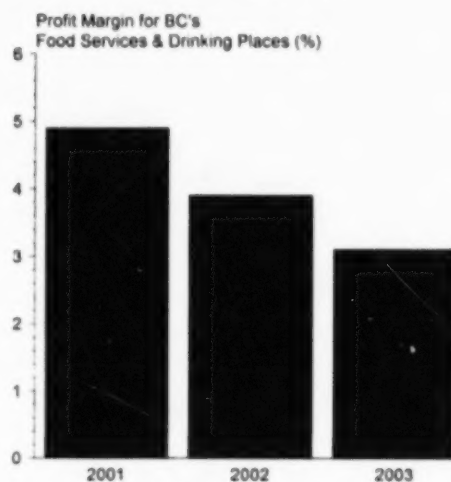
The average hourly earnings of employees working in food services & drinking places in the province are significantly lower than the average for those in the service-producing industries as a whole. In 2004, for example, the average hourly earnings including overtime for BC's food service & drinking places workers was \$11.03 versus an average of \$16.64 for the service producing industries in total.

This, however, is not surprising given the large number of entry-level positions and employment for young people that restaurants and drinking places provide, as well as the expectation that employees earn the lion's share of their income through gratuities paid by patrons. On average, in 2004, BC's employees of food services and drinking places earned a higher wage than the national average of \$9.72.

Operator overview

It takes a substantial amount of staff to operate a restaurant or drinking establishment. Indeed, payroll is a huge cost for the labour-intensive foodservice industry. Data indicate that in 2003, operating expenses for food services & drinking places in BC were \$5.4 billion with salaries, wages and benefits paid to employees accounting for \$1.7 billion (30.3%). Due in part to higher employment costs, profit margins for B.C. operators were only 3.1% in 2003, down from 4.9% only two years earlier. The national profit margin was similar (3.3%).

Profit Margins Slip



Data Source: Statistics Canada

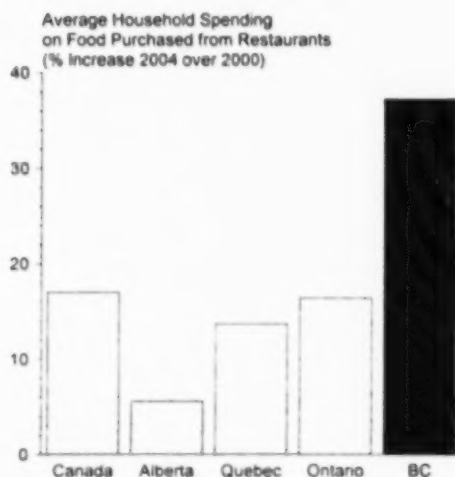
The Bigger Picture

According to Statistics Canada's Survey of Household Spending, British Columbian households spent an average of \$7,124 on food in 2004, second only to Alberta (\$7,125) and well above the Canadian average of \$6,910. This was an 18.3% increase from 2000, by far the fastest rate of growth among the provinces.

A similar trend presents itself in the household spending patterns on food purchased from restaurants. On average, households in BC spent the most of all the provinces on food purchased from restaurants in 2004. The average annual expenditure was \$1,727, significantly more than the national average of \$1,519.

BC's 2004 numbers also showed the most significant boost from 2000, a whopping 37.2%, while other provinces' spending on restaurant food showed increases ranging from just 5.6% in Alberta to 28.9% in Newfoundland & Labrador respectively.

BC Households Spend More
on Restaurant Meals



Data Source: Statistics Canada

Perhaps more interestingly, households in British Columbia spent an average of

24.2% of their total expenditure on food on restaurant meals. Again, this is highest in the country with Canadian households as a whole spending an average of 22.0% of total food expenditures on food purchased from restaurants.

Of course food purchased from restaurants can be quite pricey. According to the annual averages of the Consumer Price Index, although British Columbians paid less than the Canadian average for food as a whole in 2004, they paid more for food purchased from restaurants. The cost of eating out has been higher than the Canadian average in BC for at least five years. The national increase (+11.8%) in prices of restaurant food has actually climbed slightly more quickly from 2000 to 2004 than has BC's (+10.5%), although those eating out in the province still faced steeper than average prices in 2004.

For the most part, BC's restaurants and drinking places show signs of steady growth and stamina. With more businesses opening and more jobs being created, the contribution to the province's economy as a whole is significant and the variety of menus available to residents and visitors alike is seemingly endless.

Recent Feature Articles Listed by Issue Number

05-3: 'BC Restaurants: An Industry Overview'

(released Dec 2005)

05-2: 'Effects of Canadian Dollar Mixed for Small Business'

(released Oct 2005)

05-1: 'Small Businesses that Export'

(released Jun 2005)

04-4: 'Small Business Outlook'

(released Mar 2004)

04-3: 'Lumber Dispute Big Issue for Small Business'

(released Dec 2004)

04-2: 'Small Business and Older Workers'

(released Oct 2004)

04-1: 'Small Business Suffers Gas Pains'

(released Jun 2004)

03-4: 'Small Business is Embracing the Internet'

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(released Mar 2003)

02-3: 'Profile of Women Entrepreneurs'

(released Jan 2003)

02-2: 'A Comparison of Small Business Size, 1993 and 2001'

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02-1: 'Will Retiring Boomers Lead to Labour Bust?'

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(released Jan 2001)

00-1: 'Some Distinctive Features of The Small Business Workplace'

(released Oct 2000)

99-4: 'Transfers of Corporate Charters to Other Provinces Suggest Business Migration From British Columbia'

(released Jul 2000)

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99-1: 'Self-Employment In British Columbia Takes On New Profile'

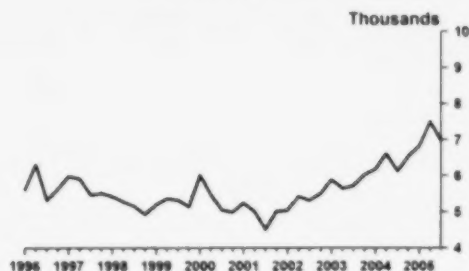
(released Sep 1999)

98-4: 'Co-Operative Movement Grows Through the 1990s'

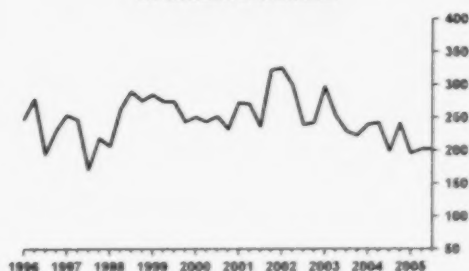
(released Apr 1999)

Business Counts, Formations and Failures

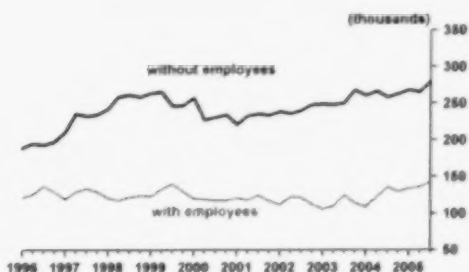
New Business Incorporations
in British Columbia



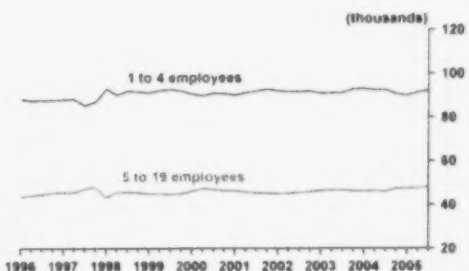
Number of Business Bankruptcies
in British Columbia



Self-Employed Persons



Small Businesses With Employees

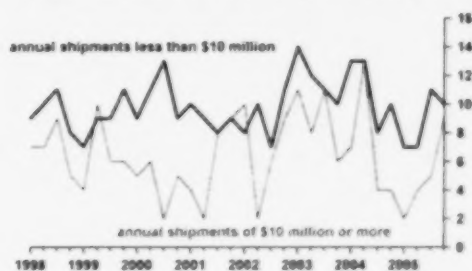


Business Conditions

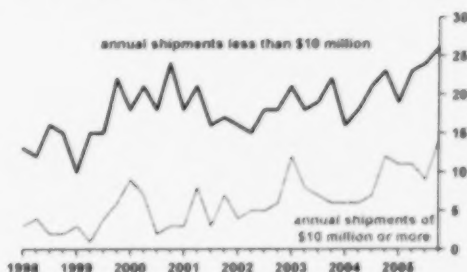
Balance of Opinion on New Orders
Received at Start of Quarter
(% reporting rising less % reporting falling)



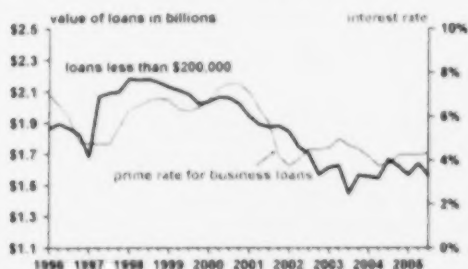
Per Cent of Manufacturers
Experiencing Shortage of Working Capital



Per Cent of Manufacturers
Experiencing Shortage of Skilled Labour



Chartered Bank Business Loans
in British Columbia



Period	Active Employer Businesses ¹ by number of employees						Employment ² by number of employees in business				Self-employed ³ with without		
	Total	1-4	5-9	10-19	20-49	1-49	Total ⁴	1-19	20-49	50+	Total ⁵	paid help	paid help
	('000)						('000)				('000)		
Annual Averages													
1997	150.9	87.2	27.5	19.2	11.7	145.5					361.4	128.3	226.7
1998	153.7	91.6	26.9	18.2	11.5	148.2					382.6	121.2	255.1
1999	154.6	92.0	26.8	18.2	11.9	148.9					392.1	131.5	255.5
2000	156.6	90.5	27.5	19.3	13.0	150.3	1,565.3	411.5	181.9	971.9	361.4	118.3	237.3
2001	156.9	91.5	27.2	18.5	12.4	149.7	1,585.7	412.3	186.3	987.1	354.7	120.1	230.7
2002	156.8	91.8	27.2	18.3	12.4	149.6	1,601.4	412.3	193.9	995.1	360.3	117.0	240.6
2003	157.6	91.4	27.8	18.7	12.5	150.4	1,626.2	417.1	200.2	1,008.8	370.5	113.4	253.4
2004	158.4	92.1	27.7	18.9	12.5	151.2	1,654.6	429.8	201.8	1,023.0	388.1	124.2	261.9
% change 2003-2004	0.5%	0.7%	-0.4%	1.0%	0.1%	0.5%	1.7%	3.0%	0.8%	1.4%	4.7%	9.5%	3.3%
Quarterly	<i>End of Quarter</i>						<i>Quarterly</i>				<i>Quarterly Averages</i>		
2002 Q1	156.2	91.9	27.0	18.2	12.1	149.1	1,562.7	401.5	181.8	979.4	353.2	111.5	238.6
Q2	156.5	91.7	27.0	18.2	12.3	149.3	1,606.2	412.8	197.4	996.0	359.2	122.3	235.7
Q3	157.0	91.7	27.3	18.3	12.5	149.7	1,615.5	420.0	200.5	995.0	365.5	121.8	240.3
Q4	157.6	91.8	27.3	18.5	12.6	150.3	1,621.1	415.1	195.9	1,010.1	363.1	112.3	247.8
2003 Q1	157.2	90.9	27.8	18.6	12.6	149.8	1,602.1	405.7	191.2	1,005.3	357.4	105.5	248.4
Q2	157.4	91.0	27.9	18.7	12.6	150.2	1,644.3	418.8	203.1	1,022.5	360.9	109.3	247.5
Q3	157.5	91.1	27.9	18.8	12.5	150.3	1,627.1	425.0	205.3	996.8	378.1	125.4	250.2
Q4	158.4	92.8	27.7	18.6	12.3	151.3	1,631.3	419.1	201.4	1,010.8	385.6	113.6	267.6
2004 Q1	158.7	93.0	27.5	18.7	12.3	151.6	1,613.0	415.3	196.9	1,000.7	371.7	108.7	260.3
Q2	158.5	92.5	27.7	18.8	12.3	151.3	1,669.4	434.8	203.7	1,030.9	390.5	122.3	266.5
Q3	158.0	92.4	27.5	18.6	12.3	150.8	1,663.2	437.7	207.4	1,018.1	395.7	136.1	258.2
Q4	158.4	90.6	28.1	19.4	13.0	151.0	1,672.7	431.3	199.0	1,042.4	394.4	129.5	262.5
2005 Q1	158.3	90.0	28.1	19.4	13.2	150.7	1,649.0	422.5	193.2	1,033.2	406.7	133.8	268.0
Q2	160.1	91.4	28.2	19.5	13.4	152.5	1,702.3	436.5	205.6	1,060.3	403.8	136.0	265.1
Q3	161.7	92.2	28.3	19.8	13.5	153.8	1,689.5	442.3	214.1	1,033.2	424.0	142.4	278.9
year last available quarter	2.4%	-0.2%	3.0%	6.2%	9.6%	2.0%	1.6%	1.0%	3.2%	1.5%	7.2%	4.7%	8.0%
Monthly													
Dec-04											391.2	119.6	268.2
Jan-05											401.8	131.0	266.0
Feb-05											405.7	130.4	269.6
Mar-05											412.7	140.0	268.3
Apr-05											411.3	147.8	259.2
May-05											396.2	130.0	263.8
Jun-05											404.0	130.1	272.2
Jul-05											423.1	143.4	277.0
Aug-05											425.5	145.5	276.5
Sep-05											423.4	138.4	283.3
Oct-05											431.5	142.7	287.2
Nov-05											422.6	151.7	269.8
year last available month											6.9%	12.2%	4.5%
year-to-date	-	-	-	-	-	-	-	-	-	-	414.3	139.2	272.1

Notes:

¹ Source: Business Register² Source: Survey of Employment, Payroll and Hours³ Source: Labour Force Survey⁴ Industrial aggregate excluding unclassified⁵ Total self-employed includes persons working in family business without pay

Period	Business Formation Indicators			Bankruptcies	
	New BC Business Incorporations	Registrations Extraprovincial Companies (number)	Registrations Unincorporated Businesses	Business (number)	Consumer
Annual Totals					
1996	22,848	2,061	20,367	948	6,436
1997	22,958	2,188	19,863	895	7,366
1998	20,759	2,233	19,507	1,031	7,327
1999	21,009	2,366	20,917	1,075	8,179
2000	21,515	2,528	20,822	976	9,181
2001	19,749	2,479	21,306	1,100	9,474
2002	21,262	2,383	22,487	1,105	9,527
2003	23,243	2,544	25,121	1,002	9,393
2004	25,428	2,456	25,244	921	8,386
% change 2003-2004	9.4%	-3.5%	0.5%	-8.1%	-10.7%
Quarterly Totals					
2001 Q1	5,236	714	5,400	272	2,503
Q2	4,997	663	5,853	270	2,483
Q3	4,504	546	4,959	236	2,232
Q4	5,012	556	5,094	322	2,256
2002 Q1	5,035	604	5,335	325	2,469
Q2	5,417	616	6,220	299	2,472
Q3	5,313	559	5,772	239	2,388
Q4	5,497	604	5,160	242	2,198
2003 Q1	5,878	694	6,878	297	2,467
Q2	5,638	674	6,642	253	2,463
Q3	5,711	547	5,852	229	2,272
Q4	6,016	629	5,749	223	2,191
2004 Q1	6,175	755	6,835	239	2,299
Q2	6,602	547	6,655	242	2,254
Q3	6,128	618	5,796	199	1,909
Q4	6,523	536	5,958	241	1,924
2005 Q1	6,814	544	6,637	196	2,205
Q2	7,489	719	7,452	202	2,187
Q3	6,970	750	6,247	202	1,945
year last available quarter	13.7%	21.4%	7.8%	1.5%	1.9%
Monthly					
Dec-04	2,399	188	1,871	81	597
Jan-05	2,141	174	1,806	52	665
Feb-05	2,223	187	2,266	70	798
Mar-05	2,450	183	2,565	74	742
Apr-05	2,460	223	2,415	64	741
May-05	2,445	250	2,537	77	739
Jun-05	2,584	246	2,500	61	707
Jul-05	2,220	237	2,026	60	628
Aug-05	2,331	260	2,169	76	647
Sep-05	2,419	253	2,052	66	670
Oct-05	2,408	181	2,050	66	615
Nov-05	2,469	233	2,064	-	-
year-to-date	26,150	2,427	24,450	666	6,952
year last available month	17.1%	40.4%	-1.4%	-16.5%	-10.1%

Period	Interest Rates			Exchange Rate	Consumer Price Index		
	Bank Rate	Prime Rate (per cent)	Conventional 5 Year Mortgage	Canadian \$ Average Noon Spot Rate (U.S. \$)	BC	Vancouver*	Victoria*
(1992=100)							
Annual Averages							
1998	5.10	6.60	6.93	67.48	110.0	110.4	110.0
1999	4.92	6.44	7.56	67.32	111.2	111.4	111.1
2000	5.77	7.27	8.35	67.34	113.3	113.9	113.0
2001	4.31	5.81	7.40	64.58	115.2	116.0	114.3
2002	2.71	4.21	7.02	63.69	117.9	118.6	117.4
2003	3.19	4.69	6.39	71.58	120.4	121.0	120.0
2004	2.50	4.00	6.23	76.98	122.8	123.4	122.8
% change 2003-2004	N/A	N/A	N/A	7.5%	2.0%	2.0%	2.3%
difference 2003-2004	-0.69	-0.69	-0.16	N/A	N/A	N/A	N/A
Quarterly Averages							
2002 Q1	2.25	3.75	7.05	62.72	116.0	116.8	115.5
Q2	2.58	4.08	7.37	64.35	118.0	118.8	117.5
Q3	3.00	4.50	6.85	63.97	118.7	119.4	118.3
Q4	3.00	4.50	6.80	63.72	118.8	119.6	118.4
2003 Q1	3.08	4.58	6.63	66.26	119.7	120.4	119.3
Q2	3.50	5.00	6.20	71.58	120.3	120.9	119.8
Q3	3.17	4.67	6.28	72.46	120.9	121.4	120.5
Q4	3.00	4.50	6.45	76.00	120.8	121.4	120.5
2004 Q1	2.67	4.17	5.85	75.90	121.2	121.8	121.0
Q2	2.25	3.75	6.45	73.57	123.1	123.7	123.0
Q3	2.33	3.83	6.38	76.51	123.4	124.0	123.4
Q4	2.75	4.25	6.25	81.94	123.6	124.2	123.7
2005 Q1	2.75	4.25	6.12	81.50	123.8	124.5	123.9
Q2	2.75	4.25	5.90	80.40	125.2	125.7	125.4
Q3	2.83	4.33	5.80	83.25	126.0	126.5	126.2
year last available quarter	N/A	N/A	N/A	8.8%	2.1%	2.0%	2.3%
year last available quarter	0.50	0.50	-0.58	N/A	N/A	N/A	N/A
Monthly							
Dec-04	2.75	4.25	6.05	82.03	123.5	124.2	123.6
Jan-05	2.75	4.25	6.05	81.61	123.6	124.3	123.6
Feb-05	2.75	4.25	6.05	80.67	123.8	124.4	123.9
Mar-05	2.75	4.25	6.25	82.23	124.1	124.8	124.3
Apr-05	2.75	4.25	6.05	80.90	124.9	125.4	125.1
May-05	2.75	4.25	5.95	79.65	125.2	125.7	125.4
Jun-05	2.75	4.25	5.70	80.63	125.4	125.9	125.6
Jul-05	2.75	4.25	5.80	81.78	125.7	126.3	125.9
Aug-05	2.75	4.25	5.80	83.05	125.9	126.4	126.0
Sep-05	3.00	4.50	5.80	84.92	126.5	126.7	126.8
Oct-05	3.25	4.75	6.00	84.92	126.3	126.5	126.7
Nov-05	3.25	4.75	6.15	84.67	126.2	126.4	126.6
year last available month	N/A	N/A	N/A	1.3%	2.0%	1.8%	2.3%
year last available month	0.50	0.50	-0.15	N/A	N/A	N/A	N/A

* Census Metropolitan Area

Period	Commercial Building Permits			Industrial Building Permits			Urban Housing Starts	
	BC	Vancouver*	Victoria*	BC	Vancouver*	Victoria*	BC	Vancouver*
	(\$ thousands)			(\$ thousands)			(number)	
Annual Totals								
1996	1,225,837	675,541	88,661	252,646	151,875	5,499	24,744	15,453
1997	1,358,450	849,207	78,280	285,814	163,773	6,777	25,210	15,950
1998	1,311,124	810,117	76,173	273,279	160,652	15,858	17,631	11,878
1999	1,142,105	652,159	101,453	319,145	172,604	5,931	14,176	8,677
2000	1,297,270	868,865	76,834	295,525	147,574	14,763	12,353	8,203
2001	1,171,233	718,860	86,782	221,353	105,178	21,843	15,689	10,862
2002	1,116,741	746,220	104,278	230,119	129,291	9,167	20,315	13,197
2003	1,129,623	607,764	134,420	244,024	90,082	20,451	24,720	15,626
2004	1,228,027	812,400	67,800	328,050	140,419	8,120	30,875	19,430
% change 2003-2004	8.7%	33.7%	-49.6%	34.4%	55.9%	-60.3%	24.9%	24.3%
Quarterly Totals								
2001 Q1	273,963	162,249	23,467	65,245	30,677	9,657	2,946	2,149
Q2	406,173	271,274	26,720	56,965	21,011	2,133	4,619	3,620
Q3	280,778	159,138	15,570	57,121	29,033	7,512	4,176	2,802
Q4	210,319	126,199	21,025	42,022	24,457	2,541	3,948	2,291
2002 Q1	198,407	125,804	18,170	25,849	12,710	2,091	3,659	2,285
Q2	353,724	264,566	28,515	73,400	42,047	3,452	5,279	3,548
Q3	266,902	144,797	41,744	79,205	47,950	2,380	5,934	4,020
Q4	297,708	211,053	15,849	51,665	26,584	1,244	5,443	3,344
2003 Q1	200,086	107,691	27,775	40,679	22,785	1,003	4,206	2,588
Q2	313,669	156,577	29,849	65,985	16,043	1,500	6,097	3,740
Q3	355,162	159,179	54,930	75,441	28,652	12,986	7,678	5,146
Q4	260,706	184,317	21,866	61,919	22,602	4,962	6,739	4,152
2004 Q1	260,672	174,174	14,042	47,164	10,009	3,393	6,079	3,698
Q2	374,553	266,254	17,076	79,549	41,841	1,791	9,008	6,064
Q3	328,277	198,638	13,676	92,804	28,585	1,781	8,533	5,437
Q4	264,525	173,334	23,006	108,533	59,984	1,155	7,255	4,231
2005 Q1	474,243	316,974	19,502	64,914	29,554	5,631	6,240	4,112
Q2	561,904	368,490	45,246	84,315	28,872	928	8,073	4,462
Q3	492,396	248,635	73,290	98,228	39,817	1,897	8,798	5,359
year last available quarter	50.0%	25.2%	435.9%	5.8%	39.3%	6.5%	3.1%	-1.4%
Monthly								
Dec-04	103,211	76,326	10,282	25,714	12,802	262	2,362	1,377
Jan-05	91,512	70,232	2,440	20,733	4,850	4,734	1,870	1,352
Feb-05	124,843	78,689	5,152	14,641	7,814	184	1,964	1,210
Mar-05	257,888	168,053	11,910	29,540	16,890	713	2,406	1,550
Apr-05	185,069	102,738	22,074	24,761	9,135	694	2,633	1,348
May-05	170,558	128,906	12,966	18,409	6,257	170	2,959	1,797
Jun-05	206,277	136,846	10,206	41,145	13,480	64	2,481	1,317
Jul-05	123,334	63,166	13,765	44,321	11,437	259	2,905	1,645
Aug-05	177,257	73,546	18,327	37,498	23,355	892	2,666	1,723
Sep-05	191,805	111,923	41,198	16,409	5,025	746	3,227	1,991
Oct-05	117,132	57,363	29,598	24,126	11,890	87	2,945	2,009
Nov-05	-	-	-	-	-	-	2,522	1,341
year-to-date	1,645,675	991,462	167,636	271,583	110,133	8,543	28,578	17,283
year last available month	39.2%	5.3%	846.2%	65.3%	195.0%	-86.4%	-9.6%	-21.3%

* Census Metropolitan Area

Period	Chartered Bank Business Loans in British Columbia			
	Less than \$200,000	\$200,000 to \$500,000	Greater than \$500,000	Total
	(\$ millions)			
Annual Averages				
1993	1,480	1,003	8,897	11,380
1994	1,779	1,222	8,551	11,551
1995	1,791	1,451	9,043	12,284
1996	1,861	1,508	9,162	12,530
1997	1,985	1,724	10,081	13,790
1998	2,172	1,825	11,077	15,074
1999	2,084	1,710	10,807	14,601
2000	2,045	1,605	10,575	14,224
2001	1,896	1,516	9,746	13,158
2002	1,710	1,393	9,373	12,475
2003	1,558	1,297	9,491	12,347
2004	1,597	1,346	9,730	12,673
% change 2003-2004	2.5%	3.8%	2.5%	2.6%
Quarterly				
1998 Q1	2,180	1,842	11,115	15,137
Q2	2,174	1,842	11,338	15,354
Q3	2,178	1,816	11,104	15,098
Q4	2,157	1,801	10,750	14,708
1999 Q1	2,128	1,792	10,908	14,828
Q2	2,108	1,735	10,975	14,818
Q3	2,080	1,686	10,876	14,642
Q4	2,020	1,627	10,467	14,114
2000 Q1	2,035	1,631	10,636	14,302
Q2	2,063	1,638	10,812	14,513
Q3	2,059	1,586	10,608	14,253
Q4	2,021	1,564	10,244	13,829
2001 Q1	1,942	1,561	10,171	13,674
Q2	1,890	1,539	9,552	12,981
Q3	1,873	1,502	9,599	12,974
Q4	1,879	1,461	9,662	13,002
2002 Q1	1,842	1,484	9,912	13,238
Q2	1,742	1,439	9,897	13,078
Q3	1,702	1,400	9,344	12,446
Q4	1,552	1,247	8,337	11,136
2003 Q1	1,599	1,312	9,159	12,070
Q2	1,626	1,327	9,795	12,748
Q3	1,445	1,292	9,700	12,437
Q4	1,563	1,258	9,311	12,132
2004 Q1	1,555	1,337	9,560	12,452
Q2	1,545	1,350	9,928	12,823
Q3	1,666	1,348	9,549	12,563
Q4	1,622	1,349	9,882	12,853
2005 Q1	1,566	1,363	10,319	13,248
Q2	1,637	1,388	10,745	13,770
Q3	1,564	1,386	10,206	13,156
year last available quarter	-6.1%	2.8%	6.9%	4.7%

Period	Manufacturers' Outlook for Business Conditions Companies With Annual Shipments Less Than \$10 Million					
	Balance of Opinion at the Beginning of Quarter* (net of positive & negative percentages)			Percent of Manufacturers Experiencing Production Difficulties From		
	Inventory Levels High or Low	Orders Rising or Falling (index)	Anticipated Production This Quarter	Working Capital Shortage	Skilled Labour Shortage (%)	Unskilled Labour Shortage
Annual Averages						
1995	5	5	6	12	16	2
1996	4	-3	2	9	17	1
1997	4	6	4	10	15	2
1998	8	-13	-7	10	14	1
1999	6	-5	5	9	16	2
2000	8	-1	6	11	20	2
2001	9	-19	-9	9	18	3
2002	1	-6	-1	9	17	3
2003	7	6	11	12	20	2
2004	5	16	16	11	20	5
2005	3	18	16	9	23	8
Quarterly						
2000 Q1	4	-6	-8	9	18	1
Q2	10	13	26	11	21	2
Q3	8	-5	10	13	18	2
Q4	8	-7	-4	9	24	4
2001 Q1	6	-19	-10	10	18	2
Q2	13	-11	19	9	21	3
Q3	10	-23	-6	8	16	3
Q4	8	-24	-38	9	17	3
2002 Q1	3	-26	-16	8	16	4
Q2	2	8	27	10	15	2
Q3	-1	4	3	7	18	4
Q4	1	-9	-17	11	18	3
2003 Q1	6	7	2	14	21	3
Q2	8	6	22	12	18	1
Q3	8	2	10	11	19	2
Q4	7	9	8	10	22	3
2004 Q1	7	5	-2	13	16	3
Q2	5	16	31	13	18	4
Q3	2	23	25	8	21	7
Q4	6	20	11	10	23	6
2005 Q1	1	17	12	7	19	6
Q2	3	26	29	7	23	7
Q3	6	18	22	11	24	8
Q4	2	9	2	10	26	9

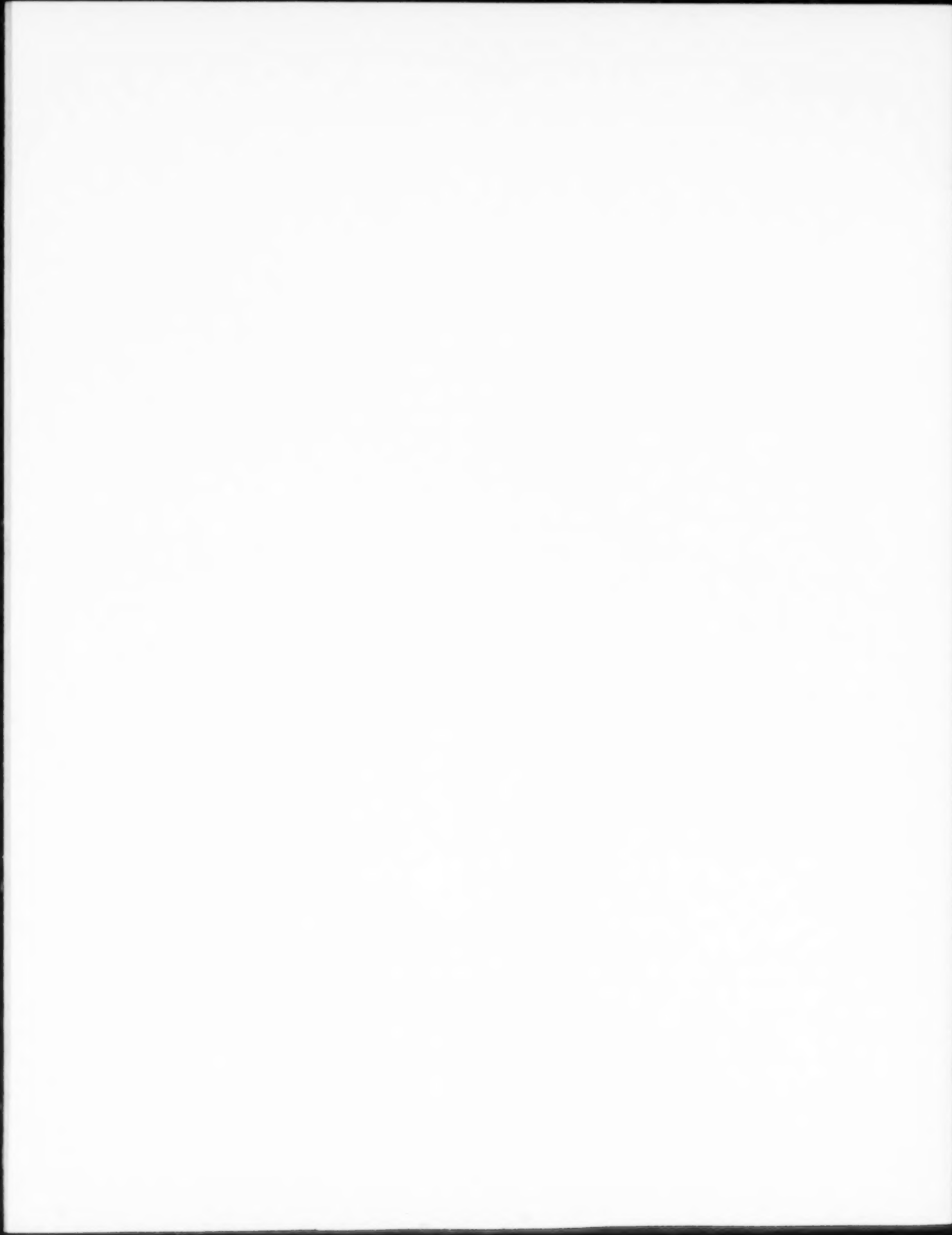
* Note: For Inventory Levels, a positive balance indicates too much inventory, and is thus unfavourable.
For New Orders and Production, a positive balance of opinion is favourable.

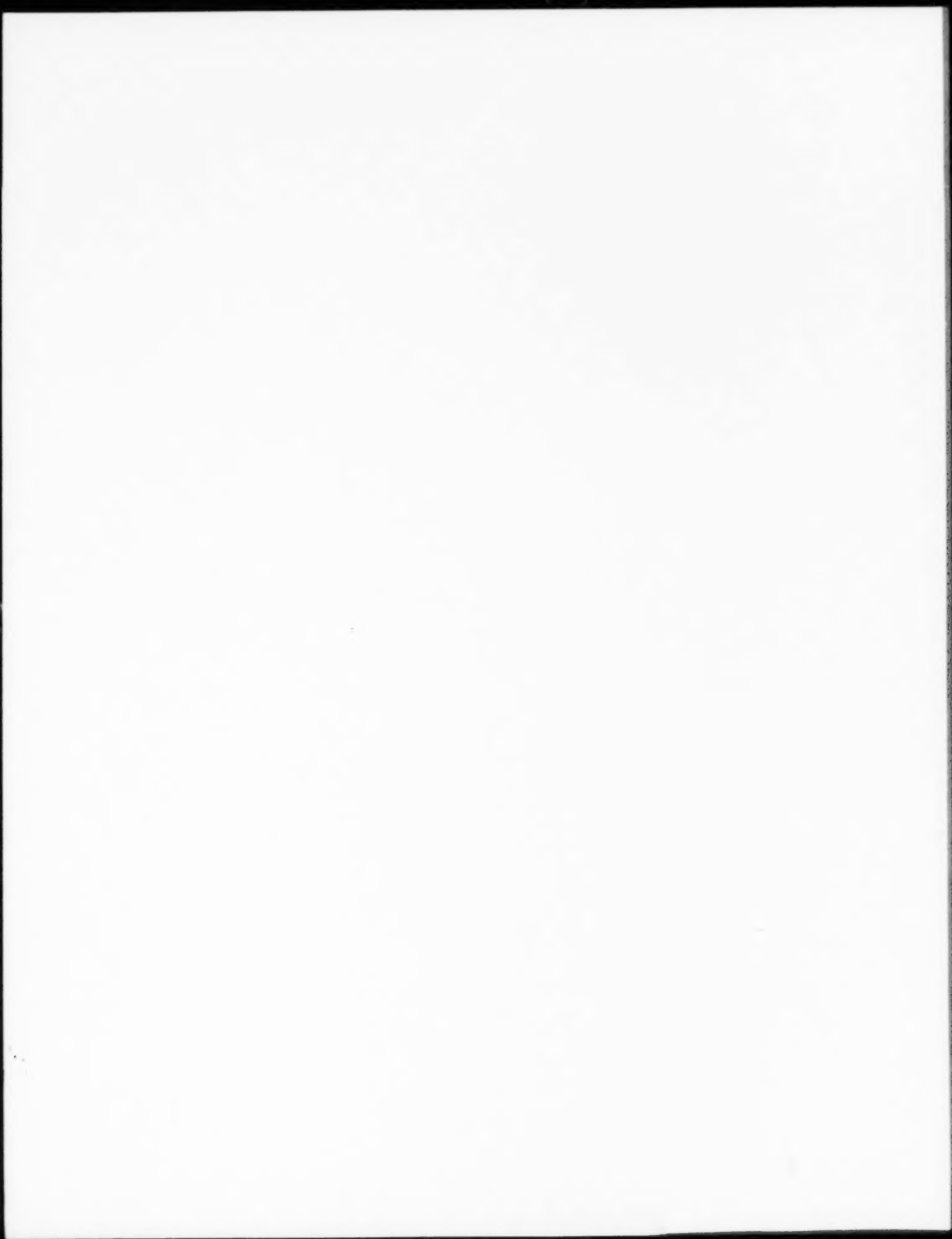
Note: These data are gathered from the *Business Conditions Survey*, which is conducted quarterly in January, April, July and October. Most responses are recorded in the first two weeks of these months. Manufacturers with more employees have a correspondingly larger impact on the results.

Period	Manufacturers' Outlook for Business Conditions Companies With Annual Shipments of \$10 Million or More					
	Balance of Opinion at the Beginning of Quarter* (net of positive & negative percentages)			Percent of Manufacturers Experiencing Production Difficulties From:		
	Inventory Levels High or Low	Orders Rising or Falling (index)	Anticipated Production This Quarter	Working Capital Shortage	Skilled Labour Shortage (%)	Unskilled Labour Shortage
Annual Averages						
1995	2	18	8	5	4	0
1996	40	-8	-7	7	3	0
1997	29	12	12	4	3	1
1998	32	-16	-1	7	3	0
1999	19	6	10	7	4	0
2000	10	10	11	5	5	1
2001	24	-31	-5	6	5	0
2002	15	1	5	7	5	1
2003	15	1	9	9	8	1
2004	7	16	10	7	8	2
2005	12	3	6	5	11	5
Quarterly						
2000 Q1	7	19	12	5	9	2
Q2	19	14	11	6	7	1
Q3	16	7	14	2	2	0
Q4	-4	1	6	5	3	0
2001 Q1	19	-24	-7	4	3	0
Q2	27	-40	4	2	8	0
Q3	37	-33	-9	8	3	1
Q4	14	-26	-7	9	7	0
2002 Q1	15	-5	-2	10	4	1
Q2	13	2	15	2	5	0
Q3	13	11	6	6	5	0
Q4	19	-4	-1	9	6	1
2003 Q1	16	-1	-8	11	12	0
Q2	15	1	15	8	8	1
Q3	20	-6	18	11	7	0
Q4	10	9	10	6	6	1
2004 Q1	5	11	2	7	6	1
Q2	-1	25	24	13	6	1
Q3	16	16	7	4	7	2
Q4	9	13	7	4	12	2
2005 Q1	14	-3	-15	2	11	4
Q2	13	2	26	4	11	5
Q3	9	9	17	5	9	5
Q4	10	4	-3	9	14	4

* **Note:** For Inventory Levels, a positive balance indicates too much inventory, and is thus unfavourable.
For New Orders and Production, a positive balance of opinion is favourable.

Note: These data are gathered from the *Business Conditions Survey*, which is conducted quarterly in January, April, July and October. Most responses are recorded in the first two weeks of these months. Manufacturers with more employees have a correspondingly larger impact on the results.





NUMBER

NUMÉRO

4

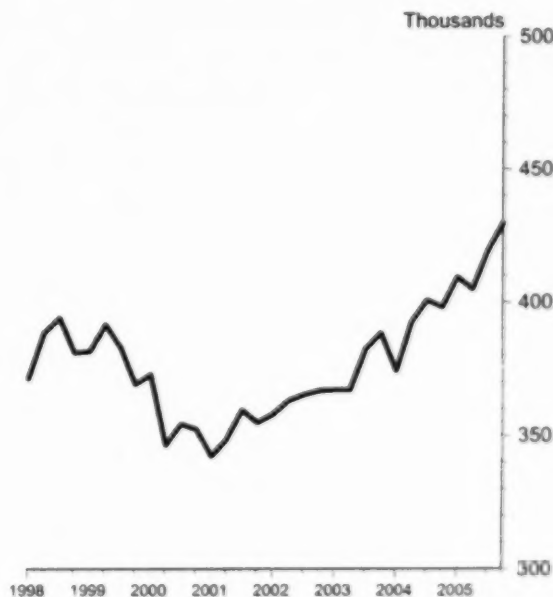
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Small Business Quarterly ♦ 4th Quarter 2005

- The number of small businesses in BC (excluding self-employed persons without paid help) grew 1.2% on average in 2005, including a 2.6% jump in the fourth quarter compared to the same period in 2004. The most significant growth in the fourth quarter was in the number of micro-businesses with fewer than five employees. The count of businesses in this group climbed 4.6%.
- There were 7.9% more self-employed workers in the province in the fourth quarter of 2005 compared to the same period a year earlier. The count of both self-employed with (+12.3%) and without (+6.0%) paid help experienced substantial increases. The number of self-employed in BC has risen in each quarter since the first quarter of 2001. The average number of self-employed in 2005 was up 6.2% compared to 2004.
- Small business employment in the province rose 1.4% in 2005, compared to 2.1% for overall employment. In the fourth quarter, employment in small businesses climbed 1.9%. The fastest growth was in the number of jobs in businesses with 20-49 employees (+3.4%) as employment growth in businesses with fewer than 20 employees was only 1.1%.
- Bankruptcies continued to decline in 2005, with business bankruptcies plunging 14.7%, while consumer bankruptcies fell 2.5%. This includes drops in the fourth quarter for both business (-22.8%) and consumer (-4.3%) bankruptcies.
- New BC business incorporations averaged an increase of 12.4% in 2005, including a 12.2% jump in the fourth quarter.
- The value of both commercial (+53.6%) and industrial (+5.5%) building permits were higher in 2005 compared to a year earlier. In the fourth quarter, the value of commercial permits in the province was up 35.2%, but there was a 9.0% drop in the value of industrial permits.
- The number of chartered bank business loans for less than \$200,000 (the size most likely to be pursued by small business) slumped 2.2% in 2005, including an 8.9% drop in the fourth quarter.

There has been a significant increase in the number of self-employed in British Columbia



The Business Gateway

By Paul Gosh

Building a solid business plan or researching a business idea can be both challenging and rewarding. There is, of course, the development of the entrepreneurial idea that may come in a flash of insight or after long consideration. Whether the starting point was an invention, the strong desire to be your own boss, or anything in between, there is little argument that you need to do your homework before committing your time, energy and money to the venture.

Over the years, BC Stats has been approached by many hundreds of clients engaged in researching a business plan. In some cases we have developed standard information products that can be plucked off the shelves. In others, our depth of knowledge of the data sources can shorten your search. Sometimes we will tell you to stop looking for data that does not exist in the public domain. Generally we will be of some help.

As often as not, your inspiration and need for figures will come outside of our regular business hours. With the growing array of tools and pages on our web site, this is not necessarily a problem. While many of the pages have long existed, we recently developed a tool we call the *business gateway* to better help you self-serve. The business gateway is a web page that presents links to dozens of useful pages and sites, all organized under headings intended to speed up your search for business planning information and resources. When looking at this page you will soon realize that we have designed it from your viewpoint - as you step through the headings, subtext and links, it should read a

little like your own thoughts, for example:

My Customers Are . . .

— Other Businesses

- Sell to BC manufacturers

In this case the underlined link - Sell to BC manufacturers - takes you to the British Columbia Manufacturers' Directory site where you can search for companies based on location, industry, size, and many more characteristics.

It may be that not all the information you require is posted to our site or others that we link to. Some resources are available only at libraries or by way of purchase. BC Stats maintains a subscription site that is accessible through many public and academic libraries in the province. We also have a WebStore and service custom requests for a fee. Many basic requests and some advice are freely available from Data Services at BC Stats.

The Business Gateway

My Business

The place to start your research is with the classification systems that we use to delineate industries, occupations, goods (products), services, and geographic units. If there isn't a code for it, there is little chance for data in the public domain. First off, find the most appropriate industry code under the North American Industry Classification System (NAICS). Do this using the search routine on Statistics Canada's site by clicking on our first link: What industry am I in? Note both the code and the name. Once you have these, the search for data becomes greatly simplified.



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The Business Gateway

For more information
contact [Paul Gosh](#)
(250) 387-9221

My Business

- [What industry am I in?](#)
- [How many similar firms are there?](#)
- [Compare to industry norms](#)
- [Classification systems \(Statistics Canada\)](#)

Writing a Business Plan

- [Our business planning guide](#)
- [Lots of good info on our site](#)
- [Small business BC's FAQ page](#)
- [Our small business page](#)
- [Compare to industry norms](#)
- [Resources for business on the BC site](#)
- [Resources for business on the federal site](#)
- [Consumer Trends Report](#)
- [Learn about various coding schemes](#)

Business Environment

- [Our weekly synopsis](#)
- [Some of our periodicals will be useful](#)
- [Our small business quarterly is in our store](#)
- [Our free community summary](#)
- [Our regional economic periodical is in our store](#)
- [Major projects provide a significant local boost](#)

My Customers Are...

—Individuals (locals)

- [Consumer Trends Report](#)
- [Spending patterns \(Statistics Canada\)](#)
- [Demographic details for neighbourhoods, communities and regions](#)
- [Summary community profiles \(Statistics Canada\)](#)
- [What areas are growing fastest?](#)
- [Small area pop projections by age and sex are in our store](#)

—Individuals (visitors)

- [Our tourism page](#)
- [Annual and seasonal patterns](#)

—Other Businesses

- [Summary by region and size \(much more detail available\)](#)
- [Sell to BC manufacturers](#)

—Foreign Buyers

- [Exports - \\$ values only \(free at Industry Canada\)](#)
- [Quantity and value \(we query our database for a fee\)](#)

—Government

- [Doing business with the BC government](#)
- [Local governments in BC](#)
- [Selling to the federal government](#)

My Products Are...

—Classified as

- [Canadian export codes \(Statistics Canada\)](#)
- [Canadian import codes \(CBSA\)](#)
- [U.S. export codes](#)
- [U.S. import codes](#)
- [Standard classification of goods \(Statistics Canada\)](#)

My Suppliers Are...

- [Find local suppliers](#)
- [Located outside Canada \(\\$ Value data only\)](#)
- [Located outside Canada \(I am willing to pay for quantity and value data\)](#)

My Business Thrives on...

- [Births, deaths or marriages](#)
- [Construction \(homes or buildings\)](#)
- [Construction \(major projects\)](#)
- [Crime](#)
- [Exports or imports](#)
- [Fishing, hunting or trapping](#)
- [High technology](#)
- [Population growth \(or decline\)](#)
- [Tourism](#)
- [Vehicles \(licensed\)](#)
- [Vehicle traffic](#)
- [Weather \(norms\)](#)

Open a New Location!

- [What areas are growing fastest?](#)
- [Demographic details for neighbourhoods, communities and regions](#)
- [We can map data for you](#)
- [We can profile a location for you](#)
- [Tetrad can profile a location for you](#)
- [Vehicle traffic](#)

My Workers

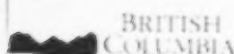
- [Our labour and income page](#)
- [An overview of the labour market](#)
- [Our earnings periodical is for subscribers or single issue purchasers](#)
- [Our employment periodical is for subscribers or single issue purchasers](#)

Didn't find it here?

- [We service requests for a fee](#)
- [Talk to us, or email us](#)

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- [BC Small Business Profile \(PDF\)](#)
- [Small & Medium-Sized Exporters \(PDF\)](#)
- [Small Business Quarterly](#)
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BC Stats Home | Business & Industry | The Business Gateway

The Business Gateway

Statistics Information in
British Columbia
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My Business

- [What industry am I in?](#)
- [How many similar firms are there?](#)
- [Compare to industry norms](#)
- [Classification systems \(Statistics Canada\)](#)

Writing a Business Plan

- [Our business planning guide](#)
- [Lots of good info on our site](#)
- [Small business BC's A2Z page](#)
- [Our small business page](#)
- [Compare to industry norms](#)
- [Resources for business on the BC site](#)
- [Resources for business on the federal site](#)
- [Consumer Trends Report](#)
- [Learn about various funding schemes](#)

Business Environment

- [Our weekly forecasts](#)
- [Some of our periodicals will be useful](#)
- [Our small business quarterly is in our store](#)
- [Our free community summaries](#)
- [Our regional economic periodical is in our store](#)
- [Major projects provide a significant boost](#)

My Customers Are...

—Individuals (Retail)

- [Consumer Trends Report](#)
- [Spending patterns \(Statistics Canada\)](#)
- [Demographic details for neighbourhoods, communities and regions \(Statistics Canada\)](#)
- [What areas are growing fastest?](#)
- [Small area pop. projections by age and sex are in our store](#)

—Individuals (Imports)

- [Get foreign page](#)
- [Annual and seasonal patterns](#)

—Other Businesses

- [Summaries by region and economic sector \(data available\)](#)
- [Sell to BC manufacturers](#)

—Foreign Buyers

- [Exports & imports \(data available free at Industry Canada\)](#)
- [Quantity and value \(we query our database for a fee\)](#)

—Government

- [Doing business with the BC government](#)
- [Local governments in BC](#)
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My Products Are...

—Classified as

- [Canadian short codes \(Statistics Canada\)](#)
- [Canadian short codes \(Statistics Canada\)](#)
- [US short codes](#)
- [US short codes](#)
- [US short codes](#)
- [US short codes](#)

My Suppliers Are...

- [Find local suppliers](#)
- [Locate outside Canada \(1-800-387-2323\)](#)
- [Locate outside Canada \(1-800-387-2323\)](#)

My Business Thrives on...

- [Baths, baths or mortgages](#)
- [Construction \(Industry or Government\)](#)
- [Construction \(major projects\)](#)
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Open a New Location!

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My Workers

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- [An overview of the labour market](#)
- [Our business periodical is in our store](#)
- [Our business periodical is in our store](#)
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Didn't find it here?

- [Our business periodical is in our store](#)
- [Our business periodical is in our store](#)

Top

Numbers of business establishments by industry and region provide some indication of saturation. Summary figures are posted at our link: [How many similar firms are there?](#)

The most current review of profitability, balance sheet and financial ratios comes from the small business profiles that can be found, by detailed industry for several years and provinces, through our link: [Compare to industry norms.](#)

Writing a Business Plan

The single most important element for success is a proper, current plan that is the basis for operations. The random pursuit of opportunity relies on luck, which sooner or later fails.

[Our business planning guide](#) has a numbers focus – coding schemes, data and information resources. There are links to other informative sites including ones that simplify start-up and filing requirements – the technical and legal side of getting into and staying in business.

Business Environment

While mindful execution of the plan is central to success, it is essential to be constantly on watch for external shocks. These may be positive or negative and the difference may depend upon your reaction. Some are temporary, while others more permanently alter business conditions. Some arise dramatically and others form so incrementally that they are sometimes missed from the plan.

We have a number of reports and publications to help keep you abreast of conditions in British Columbia and its regions. [Our weekly synopsis, Infoline](#), is the most widely read document we produce and can form part of any basic news kit for business leaders.

My Customers Are . . .

Successful businesses understand and anticipate their customers. They pitch for maximum penetration in each market segment and analyze the demographics of current and potential customer groups. If sales are not keeping pace with growth in the market place, then you are losing ground – whether to changing market demand or more nimble competition – and need to address the problem.

The [Consumer Trends Report](#) and [Spending patterns](#) look at consumer behaviour. [Demographic details for neighbourhoods, communities and regions](#) takes you to our census pages. Our small area population projections will tell you [what areas are growing the fastest](#) so that you can get out in front of the growth curve or anticipate a flat or falling market.

If your receipts are augmented by visitors then there is some useful information on [our tourism page](#). Knowing [annual and seasonal expenditure patterns](#) can help you manage the tourism-related part of your business.

We can help you [sell to BC manufacturers](#) or look for foreign buyers. There is also a section on [doing business with the BC government, local governments in BC or the federal government](#).

My Products Are . . . —Classified as

Knowing the correct product classification for your goods will greatly ease the search for production, export and import figures.

My Suppliers Are . . .

We can help you [find local suppliers](#) which should help pare transportation and inventory costs. Our on-line direc-

tory makes it easy to narrow your search right down to your own community.

My Business Thrives on . . .

When you know just what invigorates your business it may possible to sleuth out hot spots that should figure into your expansion plans. We have set out a dozen links by way of example. If you want more, or something else, there is the internet or you could contact Data Services at BC Stats.

Open a New Location!

The risk of opening a new location can be reduced by making informed choices.

You might look first at what areas are growing fastest. Each year BC Stats projects population and households for areas in British Columbia. Shouldn't you be using the same quality data that the health and education ministries rely on?

Perhaps you are looking for concentrations of particular demographic characteristics in your new location. We can

map data for you to pinpoint areas that deserve a more rigorous examination of demographic details and Data Services can provide detailed profiles of any area in the province.

My Workers

Our labour and income page highlights earnings and labour market information available through BC Stats.

Didn't find it here?

If your requirements go beyond our web site or complimentary service, we service requests for a fee. You can also search our wider web site. When you want to talk to us, or email us you have direct access to our individual phone numbers and email addresses for every person in the organization. However, initial contact should be made with Data Services:

(250) 387-0327

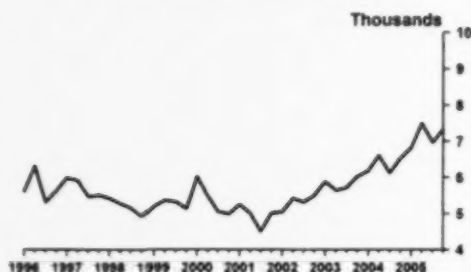
bc.stats@gov.bc.ca

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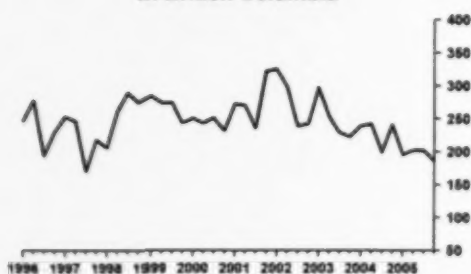
- 05-4:** 'The Business Gateway'
(released Mar 2006)
- 05-3:** 'BC Restaurants: An Industry Overview'
(released Dec 2005)
- 05-2:** 'Effects of Canadian Dollar Mixed for Small Business'
(released Oct 2005)
- 05-1:** 'Small Businesses that Export'
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- 00-2:** 'Latest Small Business Employment Numbers Show Three Year Changes' (released Jan 2001)
- 00-1:** 'Some Distinctive Features of The Small Business Workplace'
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- 99-4:** 'Transfers of Corporate Charters to Other Provinces Suggest Business Migration From British Columbia'
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- 99-3:** '755 Thousand British Columbians Rely On Small Businesses For Jobs' (released Mar 2000)
- 99-2:** 'A Quarter of All Employees In British Columbia Work For Small Employers' (released Nov 1999)
- 99-1:** 'Self-Employment In British Columbia Takes On New Profile'
(released Sep 1999)

Business Counts, Formations and Failures

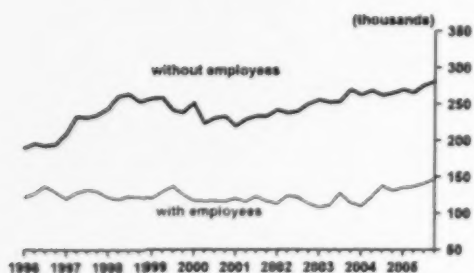
New Business Incorporations in British Columbia



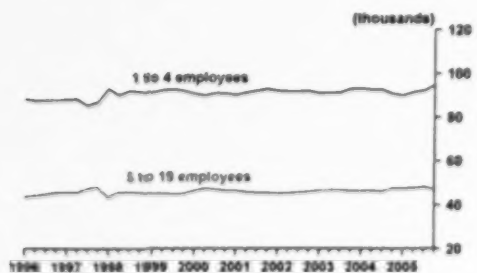
Number of Business Bankruptcies in British Columbia



Self-Employed Persons



Small Businesses With Employees



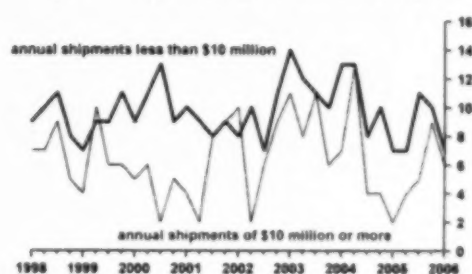
Business Conditions

Balance of Opinion on New Orders Received at Start of Quarter

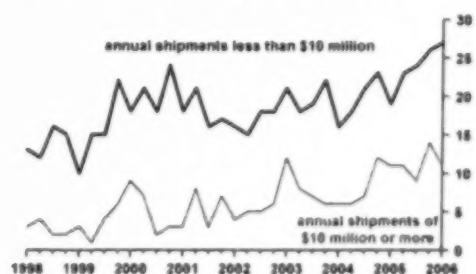
(% reporting rising less % reporting falling)



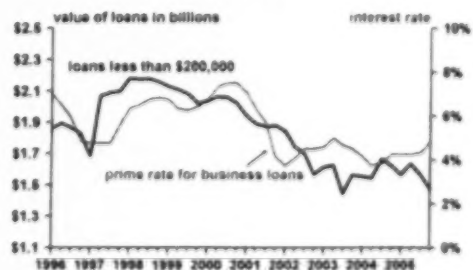
Per Cent of Manufacturers Experiencing Shortage of Working Capital



Per Cent of Manufacturers Experiencing Shortage of Skilled Labour



Chartered Bank Business Loans in British Columbia



Small Business Quarterly

Table 1

Period	Active Employer Businesses ¹ by number of employees						Employment ² by number of employees in business				Self-employed ³ with without		
	Total	1-4	5-9	10-19	20-49	1-49	Total ⁴	1-19	20-49	50+	Total ⁵	paid help	paid help
('000)													
Annual Averages													
1999	154.6	92.0	26.8	18.2	11.9	148.9					381.4	127.8	248.8
2000	156.6	90.5	27.5	19.3	13.0	150.3	1,565.3	411.5	181.9	971.9	356.6	116.6	234.4
2001	156.9	91.5	27.2	18.5	12.4	149.7	1,585.7	412.3	186.3	987.1	351.4	118.7	228.9
2002	156.8	91.8	27.2	18.3	12.4	149.6	1,603.4	412.7	194.3	996.4	363.3	117.9	242.6
2003	157.6	91.4	27.8	18.7	12.5	150.4	1,634.9	418.9	202.1	1,013.9	376.3	114.9	257.7
2004	158.4	92.1	27.7	18.9	12.5	151.2	1,666.6	432.6	204.5	1,029.5	391.5	124.9	264.4
2005	160.7	92.1	28.2	19.5	13.3	153.0	1,700.8	438.4	207.7	1,054.8	415.8	139.6	273.1
% change 2004-2005	1.4%	0.0%	1.6%	3.1%	6.5%	1.2%	2.1%	1.3%	1.6%	2.4%	6.2%	11.8%	3.3%
Quarterly	<i>End of Quarter</i>						<i>Quarterly</i>				<i>Quarterly Averages</i>		
2002 Q1	156.2	91.9	27.0	18.2	12.1	149.1	1,562.6	401.5	181.8	979.3	358.0	113.0	241.8
Q2	156.5	91.7	27.0	18.2	12.3	149.3	1,606.2	412.8	197.4	996.0	363.1	123.8	237.8
Q3	157.0	91.7	27.3	18.3	12.5	149.7	1,616.8	420.3	200.8	995.7	365.3	121.7	240.2
Q4	157.6	91.8	27.3	18.5	12.6	150.3	1,628.0	416.4	197.1	1,014.5	366.8	113.1	250.6
2003 Q1	157.2	90.9	27.8	18.6	12.6	149.8	1,610.9	407.7	192.7	1,010.6	367.1	107.8	255.6
Q2	157.4	91.0	27.9	18.7	12.6	150.2	1,651.8	420.1	204.2	1,027.5	367.1	110.7	252.3
Q3	157.5	91.1	27.9	18.8	12.5	150.3	1,634.8	426.4	207.0	1,001.4	382.5	126.6	253.4
Q4	158.4	92.8	27.7	18.6	12.3	151.3	1,641.9	421.4	204.5	1,016.0	388.4	114.3	269.6
2004 Q1	158.7	93.0	27.5	18.7	12.3	151.6	1,624.1	418.2	199.3	1,006.6	374.3	109.2	262.3
Q2	158.5	92.5	27.7	18.8	12.3	151.3	1,681.2	437.4	205.9	1,038.0	392.7	122.5	268.4
Q3	158.0	92.4	27.5	18.6	12.3	150.8	1,675.3	440.3	209.9	1,025.1	400.7	137.3	261.9
Q4	158.4	90.6	28.1	19.4	13.0	151.0	1,685.9	434.5	202.9	1,048.5	398.2	130.7	265.1
2005 Q1	158.3	90.0	28.1	19.4	13.2	150.7	1,662.3	426.3	196.6	1,039.5	409.4	134.7	269.8
Q2	160.1	91.4	28.2	19.5	13.4	152.5	1,715.1	439.8	207.6	1,067.7	404.9	136.5	265.6
Q3	161.7	92.2	28.3	19.8	13.5	153.8	1,702.6	445.3	217.1	1,040.1	419.1	140.6	275.8
Q4	162.7	94.7	28.0	19.1	13.1	154.9	1,723.2	442.0	209.4	1,071.8	429.6	146.7	281.2
year last available quarter	2.7%	4.6%	-0.4%	-1.2%	0.9%	2.6%	1.6%	1.1%	3.4%	1.5%	7.9%	12.3%	6.0%
Monthly													
Mar-05											414.9	140.6	270.0
Apr-05											414.2	149.0	260.8
May-05											394.5	129.3	262.8
Jun-05											406.0	131.1	273.2
Jul-05											419.9	142.3	274.8
Aug-05											418.1	142.5	272.1
Sep-05											419.3	137.0	280.6
Oct-05											433.3	143.0	288.6
Nov-05											425.1	152.7	271.3
Dec-05											430.5	144.5	283.6
Jan-06											410.7	133.2	273.1
Feb-06											408.9	128.4	275.7
year last available month											0.0%	-2.5%	1.6%
year-to-date	-	-	-	-	-	-	-	-	-	-	409.8	130.8	274.4

Notes:

¹ Source: Business Register

² Source: Survey of Employment, Payroll and Hours

³ Source: Labour Force Survey

⁴ Industrial aggregate excluding unclassified

⁵ Total self-employed includes persons working in family business without pay

Period	Business Formation Indicators			Bankruptcies	
	New BC Business Incorporations	Registrations Extraprovincial Companies (number)	Registrations Unincorporated Businesses	Business (number)	Consumer (number)
Annual Totals					
1998	20,759	2,233	19,507	1,031	7,327
1999	21,009	2,366	20,917	1,075	8,179
2000	21,515	2,528	20,822	976	9,181
2001	19,749	2,479	21,306	1,100	9,474
2002	21,262	2,383	22,487	1,105	9,527
2003	23,243	2,544	25,121	1,002	9,393
2004	25,428	2,456	25,244	921	8,386
2005	28,593	2,618	26,200	786	8,179
% change 2004-2005	12.4%	6.6%	3.8%	-14.7%	-2.5%
Quarterly Totals					
2001 Q1	5,236	714	5,400	272	2,503
Q2	4,997	663	5,853	270	2,483
Q3	4,504	546	4,959	236	2,232
Q4	5,012	556	5,094	322	2,256
2002 Q1	5,035	604	5,335	325	2,469
Q2	5,417	616	6,220	299	2,472
Q3	5,313	559	5,772	239	2,388
Q4	5,497	604	5,160	242	2,198
2003 Q1	5,878	694	6,878	297	2,467
Q2	5,638	674	6,642	253	2,463
Q3	5,711	547	5,852	229	2,272
Q4	6,016	629	5,749	223	2,191
2004 Q1	6,175	755	6,835	239	2,299
Q2	6,602	547	6,655	242	2,254
Q3	6,128	618	5,796	199	1,909
Q4	6,523	536	5,958	241	1,924
2005 Q1	6,814	544	6,637	196	2,205
Q2	7,489	719	7,452	202	2,187
Q3	6,970	750	6,247	202	1,945
Q4	7,320	605	5,864	186	1,842
year last available quarter	12.2%	12.9%	-1.6%	-22.8%	-4.3%
Monthly					
Mar-05	2,450	183	2,565	74	742
Apr-05	2,460	223	2,415	64	741
May-05	2,445	250	2,537	77	739
Jun-05	2,584	246	2,500	61	707
Jul-05	2,220	237	2,026	60	628
Aug-05	2,331	260	2,169	76	647
Sep-05	2,419	253	2,052	66	670
Oct-05	2,408	181	2,050	66	615
Nov-05	2,469	233	2,064	60	710
Dec-05	2,443	191	1,750	60	517
Jan-06	2,477	250	2,329	61	581
Feb-06	2,602	273	2,307	-	-
year-to-date	5,079	523	4,636	61	581
year last available month	17.0%	46.0%	1.8%	17.3%	-12.6%

Period	Interest Rates			Exchange Rate	Consumer Price Index		
	Bank Rate	Prime Rate (per cent)	Conventional 5 Year Mortgage	Canadian \$ Average Noon Spot Rate (U.S. \$)	BC	Vancouver*	Victoria*
					(1992=100)		
Annual Averages							
2000	5.77	7.27	8.35	67.34	113.3	113.9	113.0
2001	4.31	5.81	7.40	64.58	115.2	116.0	114.3
2002	2.71	4.21	7.02	63.69	117.9	118.6	117.4
2003	3.19	4.69	6.39	71.58	120.4	121.0	120.0
2004	2.50	4.00	6.23	76.98	122.8	123.4	122.8
2005	2.92	4.42	5.99	82.60	125.3	125.7	125.5
% change 2004-2005	N/A	N/A	N/A	7.3%	2.0%	1.9%	2.2%
difference 2004-2005	0.42	0.42	-0.24	N/A	N/A	N/A	N/A
Quarterly Averages							
2002 Q1	2.25	3.75	7.05	62.72	116.0	116.8	115.5
Q2	2.58	4.08	7.37	64.35	118.0	118.8	117.5
Q3	3.00	4.50	6.85	63.97	118.7	119.4	118.3
Q4	3.00	4.50	6.80	63.72	118.8	119.6	118.4
2003 Q1	3.08	4.58	6.63	66.26	119.7	120.4	119.3
Q2	3.50	5.00	6.20	71.58	120.3	120.9	119.8
Q3	3.17	4.67	6.28	72.46	120.9	121.4	120.5
Q4	3.00	4.50	6.45	76.00	120.8	121.4	120.5
2004 Q1	2.67	4.17	5.85	75.90	121.2	121.8	121.0
Q2	2.25	3.75	6.45	73.57	123.1	123.7	123.0
Q3	2.33	3.83	6.38	76.51	123.4	124.0	123.4
Q4	2.75	4.25	6.25	81.94	123.6	124.2	123.7
2005 Q1	2.75	4.25	6.12	81.50	123.8	124.5	123.9
Q2	2.75	4.25	5.90	80.40	125.2	125.7	125.4
Q3	2.83	4.33	5.80	83.25	126.0	126.5	126.2
Q4	3.33	4.83	6.15	85.24	126.1	126.3	126.5
year last available quarter	N/A	N/A	N/A	4.0%	2.0%	1.7%	2.3%
year last available quarter	0.58	0.58	-0.10	N/A	N/A	N/A	N/A
Monthly							
Mar-05	2.75	4.25	6.25	82.23	124.1	124.8	124.3
Apr-05	2.75	4.25	6.05	80.90	124.9	125.4	125.1
May-05	2.75	4.25	5.95	79.65	125.2	125.7	125.4
Jun-05	2.75	4.25	5.70	80.63	125.4	125.9	125.6
Jul-05	2.75	4.25	5.80	81.78	125.7	126.3	125.9
Aug-05	2.75	4.25	5.80	83.05	125.9	126.4	126.0
Sep-05	3.00	4.50	5.80	84.92	126.5	126.7	126.8
Oct-05	3.25	4.75	6.00	84.92	126.3	126.5	126.7
Nov-05	3.25	4.75	6.15	84.67	126.2	126.4	126.6
Dec-05	3.50	5.00	6.30	86.13	125.7	126.1	126.1
Jan-06	3.75	5.25	6.30	86.41	125.6	126.0	125.9
Feb-06	3.75	5.25	6.45	87.04	125.8	126.1	126.0
year last available month	N/A	N/A	N/A	7.9%	1.6%	1.4%	1.7%
year last available month	1.00	1.00	0.40	N/A	N/A	N/A	N/A

* Census Metropolitan Area

Period	Commercial Building Permits			Industrial Building Permits			Urban Housing Starts	
	BC	Vancouver*	Victoria*	BC	Vancouver*	Victoria*	BC	Vancouver*
	(\$ thousands)			(\$ thousands)			(number)	
Annual Totals								
1998	1,311,124	810,117	76,173	273,279	160,652	15,858	17,631	11,878
1999	1,142,105	652,159	101,453	319,145	172,604	5,931	14,176	8,677
2000	1,297,270	868,865	76,834	295,525	147,574	14,763	12,353	8,203
2001	1,171,233	718,860	86,782	221,353	105,178	21,843	15,689	10,862
2002	1,116,741	746,220	104,278	230,119	129,291	9,167	20,315	13,197
2003	1,129,623	607,764	134,420	244,024	90,082	20,451	24,720	15,626
2004	1,228,027	812,400	67,800	328,050	140,419	8,120	30,875	19,430
2005	1,886,405	1,099,029	183,804	346,203	148,198	9,103	31,119	18,914
% change 2004-2005	53.6%	35.3%	171.1%	5.5%	5.5%	12.1%	0.8%	-2.7%
Quarterly Totals								
2001 Q1	273,963	162,249	23,467	65,245	30,677	9,657	2,946	2,149
Q2	406,173	271,274	26,720	56,965	21,011	2,133	4,619	3,620
Q3	280,778	159,138	15,570	57,121	29,033	7,512	4,176	2,802
Q4	210,319	126,199	21,025	42,022	24,457	2,541	3,948	2,291
2002 Q1	198,407	125,804	18,170	25,849	12,710	2,091	3,659	2,285
Q2	353,724	264,566	28,515	73,400	42,047	3,452	5,279	3,548
Q3	266,902	144,797	41,744	79,205	47,950	2,380	5,934	4,020
Q4	297,708	211,053	15,849	51,665	26,584	1,244	5,443	3,344
2003 Q1	200,086	107,691	27,775	40,679	22,785	1,003	4,206	2,588
Q2	313,669	156,577	29,849	65,985	16,043	1,500	6,097	3,740
Q3	355,162	159,179	54,930	75,441	28,652	12,986	7,678	5,146
Q4	260,706	184,317	21,866	61,919	22,602	4,962	6,739	4,152
2004 Q1	260,672	174,174	14,042	47,164	10,009	3,393	6,079	3,698
Q2	374,553	266,254	17,076	79,549	41,841	1,791	9,008	6,064
Q3	328,277	198,638	13,676	92,804	28,585	1,781	8,533	5,437
Q4	264,525	173,334	23,006	108,533	59,984	1,155	7,255	4,231
2005 Q1	474,469	316,974	19,502	64,891	29,554	5,631	6,240	4,112
Q2	561,904	368,490	45,246	84,315	28,872	928	8,073	4,462
Q3	492,396	248,635	73,290	98,228	39,817	1,897	8,798	5,359
Q4	357,636	164,930	45,766	98,769	49,955	647	8,008	4,981
year last available quarter	35.2%	-4.8%	98.9%	-9.0%	-16.7%	-44.0%	10.4%	17.7%
Monthly								
Mar-05	257,888	168,053	11,910	29,540	16,890	713	2,406	1,550
Apr-05	185,069	102,738	22,074	24,761	9,135	694	2,633	1,348
May-05	170,558	128,906	12,966	18,409	6,257	170	2,959	1,797
Jun-05	206,277	136,846	10,206	41,145	13,480	64	2,481	1,317
Jul-05	123,334	63,166	13,765	44,321	11,437	259	2,905	1,645
Aug-05	177,257	73,546	18,327	37,498	23,355	892	2,666	1,723
Sep-05	191,805	111,923	41,198	16,409	5,025	746	3,227	1,991
Oct-05	118,634	57,638	30,123	24,918	11,890	87	2,923	2,009
Nov-05	109,256	45,248	11,089	31,774	18,310	446	2,506	1,341
Dec-05	129,746	62,044	4,554	42,077	19,755	114	2,579	1,631
Jan-06	115,192	78,628	10,021	15,365	4,723	227	2,238	1,089
Feb-06	-	-	-	-	-	-	2,879	1,988
year-to-date	115,192	78,628	10,021	15,365	4,723	227	5,117	3,077
year last available month	25.9%	12.0%	310.7%	-25.9%	-2.6%	-95.2%	46.6%	64.3%

* Census Metropolitan Area

Period	Chartered Bank Business Loans in British Columbia			
	Less than \$200,000	\$200,000 to \$500,000	Greater than \$500,000	Total
	(\$ millions)			
Annual Averages				
1995	1,791	1,451	9,043	12,284
1996	1,861	1,508	9,162	12,530
1997	1,985	1,724	10,081	13,790
1998	2,172	1,825	11,077	15,074
1999	2,084	1,710	10,807	14,601
2000	2,045	1,605	10,575	14,224
2001	1,896	1,516	9,746	13,158
2002	1,710	1,393	9,373	12,475
2003	1,558	1,297	9,491	12,347
2004	1,597	1,346	9,730	12,673
2005	1,561	1,377	10,490	13,428
% change 2004-2005	-2.2%	2.3%	7.8%	6.0%
Quarterly				
1998 Q1	2,180	1,842	11,115	15,137
Q2	2,174	1,842	11,338	15,354
Q3	2,178	1,816	11,104	15,098
Q4	2,157	1,801	10,750	14,708
1999 Q1	2,128	1,792	10,908	14,828
Q2	2,108	1,735	10,975	14,818
Q3	2,080	1,686	10,876	14,642
Q4	2,020	1,627	10,467	14,114
2000 Q1	2,035	1,631	10,636	14,302
Q2	2,063	1,638	10,812	14,513
Q3	2,059	1,586	10,608	14,253
Q4	2,021	1,564	10,244	13,829
2001 Q1	1,942	1,561	10,171	13,674
Q2	1,890	1,539	9,552	12,981
Q3	1,873	1,502	9,599	12,974
Q4	1,879	1,461	9,662	13,002
2002 Q1	1,842	1,484	9,912	13,238
Q2	1,742	1,439	9,897	13,078
Q3	1,702	1,400	9,344	12,446
Q4	1,552	1,247	8,337	11,136
2003 Q1	1,599	1,312	9,159	12,070
Q2	1,626	1,327	9,795	12,748
Q3	1,445	1,292	9,700	12,437
Q4	1,563	1,258	9,311	12,132
2004 Q1	1,555	1,337	9,560	12,452
Q2	1,545	1,350	9,928	12,823
Q3	1,666	1,348	9,549	12,563
Q4	1,622	1,349	9,882	12,853
2005 Q1	1,566	1,363	10,319	13,248
Q2	1,637	1,388	10,745	13,770
Q3	1,564	1,386	10,206	13,156
Q4	1,478	1,370	10,691	13,539
year last available quarter	-8.9%	1.6%	8.2%	5.3%

Period	Manufacturers' Outlook for Business Conditions Companies With Annual Shipments Less Than \$10 Million					
	Balance of Opinion at the Beginning of Quarter* (net of positive & negative percentages)			Percent of Manufacturers Experiencing Production Difficulties From:		
	Inventory Levels High or Low	Orders Rising or Falling (index)	Anticipated Production This Quarter	Working Capital Shortage	Skilled Labour Shortage (%)	Unskilled Labour Shortage
Annual Averages						
1996	4	-3	2	9	17	1
1997	4	6	4	10	15	2
1998	8	-13	-7	10	14	1
1999	6	-5	5	9	16	2
2000	8	-1	6	11	20	2
2001	9	-19	-9	9	18	3
2002	1	-6	-1	9	17	3
2003	7	6	11	12	20	2
2004	5	16	16	11	20	5
2005	3	18	16	9	23	8
Quarterly						
2000 Q1	4	-6	-8	9	18	1
Q2	10	13	26	11	21	2
Q3	8	-5	10	13	18	2
Q4	8	-7	-4	9	24	4
2001 Q1	6	-19	-10	10	18	2
Q2	13	-11	19	9	21	3
Q3	10	-23	-6	8	16	3
Q4	8	-24	-38	9	17	3
2002 Q1	3	-26	-16	8	16	4
Q2	2	8	27	10	15	2
Q3	-1	4	3	7	18	4
Q4	1	-9	-17	11	18	3
2003 Q1	6	7	2	14	21	3
Q2	8	6	22	12	18	1
Q3	8	2	10	11	19	2
Q4	7	9	8	10	22	3
2004 Q1	7	5	-2	13	16	3
Q2	5	16	31	13	18	4
Q3	2	23	25	8	21	7
Q4	6	20	11	10	23	6
2005 Q1	1	17	12	7	19	6
Q2	3	26	29	7	23	7
Q3	6	18	22	11	24	8
Q4	2	9	2	10	26	9
2006 Q1	9	20	15	7	27	8

* Note: For Inventory Levels, a positive balance indicates too much inventory, and is thus unfavourable.
For New Orders and Production, a positive balance of opinion is favourable.

Note: These data are gathered from the *Business Conditions Survey*, which is conducted quarterly in January, April, July and October. Most responses are recorded in the first two weeks of these months. Manufacturers with more employees have a correspondingly larger impact on the results.

Period	Manufacturers' Outlook for Business Conditions Companies With Annual Shipments of \$10 Million or More					
	Balance of Opinion at the Beginning of Quarter* (net of positive & negative percentages)			Percent of Manufacturers Experiencing Production Difficulties From:		
	Inventory Levels	Orders Rising or Falling	Anticipated Production	Working Capital	Skilled Labour	Unskilled Labour
	High or Low	(index)	This Quarter	Shortage	Shortage (%)	Shortage
Annual Averages						
1996	40	-8	-7	7	3	0
1997	29	12	12	4	3	1
1998	32	-16	-1	7	3	0
1999	19	6	10	7	4	0
2000	10	10	11	5	5	1
2001	24	-31	-5	6	5	0
2002	15	1	5	7	5	1
2003	15	1	9	9	8	1
2004	7	16	10	7	8	2
2005	12	3	6	5	11	5
Quarterly						
2000 Q1	7	19	12	5	9	2
Q2	19	14	11	6	7	1
Q3	16	7	14	2	2	0
Q4	-4	1	6	5	3	0
2001 Q1	19	-24	-7	4	3	0
Q2	27	-40	4	2	8	0
Q3	37	-33	-9	8	3	1
Q4	14	-26	-7	9	7	0
2002 Q1	15	-5	-2	10	4	1
Q2	13	2	15	2	5	0
Q3	13	11	6	6	5	0
Q4	19	-4	-1	9	6	1
2003 Q1	16	-1	-8	11	12	0
Q2	15	1	15	8	8	1
Q3	20	-6	18	11	7	0
Q4	10	9	10	6	6	1
2004 Q1	5	11	2	7	6	1
Q2	-1	25	24	13	6	1
Q3	16	16	7	4	7	2
Q4	9	13	7	4	12	2
2005 Q1	14	-3	-15	2	11	4
Q2	13	2	26	4	11	5
Q3	9	9	17	5	9	5
Q4	10	4	-3	9	14	4
2006 Q1	7	5	12	6	11	6

* **Note:** For Inventory Levels, a positive balance indicates too much inventory, and is thus unfavourable.
For New Orders and Production, a positive balance of opinion is favourable.

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